RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED
JAIPUR

42^{nd}
ANNUAL REPORT
2023-24

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Board of Directors

Chairman & Director	:	Shri Indrajeet Singh
Managing Director	:	Dr. P. N. Sharma
Directors	:	Dr. Renuka Mishra Smt. Anju Goyal Shri Dinesh Kumar Sharma
Auditors	:	M/s Y. Chaturvedi & Co., Chartered Accountants, Jaipur (Raj.)
Bankers	:	Punjab National Bank L.C. Branch, M.I. Road, Jaipur.
Registered Office	:	2, Kanakpura Industrial Area, Sirsi Road, Jaipur – 302 034

CHAIRMAN'S STATEMENT

Dear Shareholders,

It is my privilege to present the 42nd Annual General Meeting of Rajasthan Electronics and Instruments Limited. The year 2023-24 was an eventful and productive year for your Company, wherein considerable progress was made in terms of revenue, profitability, order book and productivity. I take this opportunity to share the performance highlights during the year.

Almost all nations felt the effects of global economic uncertainty, including higher energy and food prices, inflation rates and volatile markets. In the world where geo economic fragmentation lingers, India continues to show resilience against the backdrop of a challenging global environment. This spirit was underpinned by robust domestic demand, strong public infrastructure investment and a strengthening financial sector.

A decade ago, India ranked as the ninth-largest economy globally, recently it climbed to fifth position and now projections indicate that India is poised to surpass Japan and Germany, positioning itself as the world's third-largest economy by 2027-28.

Your Company continues with its task to build business with long term goals based on intrinsic strength in terms of its powerful brands, quality manufacturing process, excellent after-sales-service and customer relationships. It accords high priority to rationalizing and streamlining operations to bring about better efficiencies and reduction in costs.

HIGHLIGHTS OF THE YEAR

FY 2023-24, REIL achieved a turnover of Rs. 189.22 Crore as against Rs. 121.37 Crore in FY 2022-23, thereby registering a growth of 56%. The growth was driven by strong performances across all segments and regions. The Profit after Tax (PAT) is Rs. 316.14 Lakh as against (Loss) of Rs. (1006.06) Lakh in the previous year. Your Company posted positive financial results after continuous loss from last four years.

Sustainability remains one of the key pillars of our business and we at REIL have been challenging ourselves every day with new targets to better our sustainability performances. We are tirelessly working to make our business model sustainable throughout the entire value chain and we have ensured that our sustainability priorities cover varying geographical, economic and social contexts.

Your Company always strives to conduct the business with integrity and in ethical & transparent manner and attain the highest standard of Corporate Governance practice. The Company has complied with the Guidelines on Corporate Governance framed by the Department of Public Enterprises (DPE). We are periodically reviewing the Policies and Procedures of the Company and updating them to ensure transparency in all aspects of the Company's working. Your Company has been continuously rated 'Excellent' grade for its compliances with DPE Guidelines on Corporate Governance.

The Company successfully completed and executed the largest ever Export order from Guyana Energy Agency (GEA), worth Rs. 68.51 Crore (USD 8387462) having good value addtion for supply of SPV Home Energy Systems in rural households of Hinterland Communities of the Cooperative Republic of Guyana Country by dispatching 30000 Nos. of systems.

The Company has aligned business operations to contribute to various National Programmes such as Make in India, Digital India, National Solar Mission, Drinking Water Mission, Food Safety & Security, Doubling the farmer's income, FAME India Scheme and Smart City Mission. REIL has strived for Digital Transformation of the Company through Security & Surveillance, Digital India, Automation, e-Governance, Paperless Office, IOT and web-based solutions etc.

Under project of Geospatial Drone Survey and Development, Implementation & Maintenance of Enterprise Geospatial Solution for RIICO Industrial Areas (IAs), REIL completed Drone survey (Flying Drones & Collecting Raw data & images) and work of establishment of 1150 numbers of Ground Control Points & Monumentations at 392 RIICO Industrial areas (IAs) with drone survey of total area of more than 40,000 Hectares and created GIS plans for 392 RIICO Industrial areas (IAs).

The Company has received a work order from Rajasthan Council of School Education (RCSE), Education Department, Govt. of Rajasthan for implementation of 5 kWp Off Grid/ 8 kWp grid Connected SPV Power Plant at 291 nos. Govt. PM SHRI Schools in Rajasthan. The total cost of Project is Rs. 1451.69 Lakh only. The Company has supplied the materials at 222 nos. schools till date. The project shall be completed by Dec 2024.

In Renewable Energy Sector, the Company signed an MOU with Department of College Education, Govt. of Rajasthan for “Design, Supply, Installation & Commissioning of Grid connected SPV Power Plant in various Government Colleges including maintenance for the period of five years for cumulative 2830 kWp Grid connected SPV Power plants”. Through this environment friendly step, electricity bills of Government Colleges will be minimized, especially where electricity consumption is higher.

The Company was awarded Certificate of Excellence' by the Employers Association of Rajasthan for Excellence in maintaining Employer-Employee relations and Adopting best practices in Occupation, Safety & Health and Skill Development.

In Renewable Energy Division, the Company has executed projects for various CPSEs & Departments i.e. Power Finance Corporation Limited, SEWA THDC, Power Grid Corporation of India Limited, Hon'ble High Courts of Rajasthan, Forest department, PHED department, Education department Rajasthan and Shipping Corporation of India Limited etc.

I take this opportunity to extend my sincere gratitude to the Government of India, particularly the Ministry of Heavy Industries, Ministry of New and Renewable Energy, DIPAM, CAG, State Government of Rajasthan, our esteemed Customers, Auditors, Vendors and other authorities and agencies who have provided continued support. Your continuous support has been instrumental in our success

I am grateful to the members on the Board for their valuable guidance and acknowledge the immense contribution and dedication of the employees of the Company at all levels.

With best wishes,

Date : 30.10.2024 Sd/-
Place : Jaipur **CHAIRMAN**

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

The Board of Directors has pleasure in presenting the 42nd Annual Report on the business and operations of the Company together with the audited Financial Statements for the financial year ended March 31, 2024.

Despite several challenges in the business, the Company posted positive financial results after continuous loss since last four years. The Company posted a growth of 55 % in Revenue from Operations, achieving Rs. 185 Crore during FY 2023-24 as against Rs.120 Crore in last financial year and registering Profit After Tax achieving Rs. 3.16 Crore as against loss of Rs.10.08 Crore in the previous year after a gap of four years. The increase in revenue in FY 2023-24 has been achieved despite challenges persisting for material availability on account of geopolitical issues and scarcity of key inputs such as semiconductors.

Other operational income, directly contributing to bottom line, reached at Rs 3.34 Crore during FY 2023-24, which is up by 182% over FY 2022-23. The increase in Profit After Tax was also aided by continued stringent budgetary control on Administrative and other indirect expenses reflecting strong budgetary controls in the company.

The Company is committed to total customer satisfaction by identifying their needs translating them into quality products and providing dependable after-sales-services. REIL addresses energy needs of the rural sector through Solar Photo Voltaic, Milk testing and quality related needs of the milk co-operative and dairy industry sector through it ON/AT line milk analysis and automation solution and Information Technology & Communication applications for e-governance, dairy vertical, small business and Government sectors.

The Company has aligned business operations to contribute to various National Programmes such as Make in India, Digital India, National Solar Mission, Drinking Water Mission, Food Safety & Security, Doubling the farmer's income and Smart City Mission. REIL has strived for Digital Transformation of the Company through Security & Surveillance, Digital India, Automation, e-Governance, Paperless Office, Industrial IOT and Clouds etc.

FINANCIAL PERFORMANCE

The Company's financial highlights are as provided below :

(Rs. in Lakh)

S.No.	PARTICULARS	2023-24	2022-23
1.	Turnover & Other Income	**18922**	12137
2.	Material Cost	**10289**	6358
3.	Employment Cost	**3257**	3343
4.	Other Revenue Expenses	**4665**	3826
5.	Gross Margin (PBDIT)	**711**	(1390)
6.	Profit/(Loss) Before Tax (PBT)	**437**	(1670)
7.	Net Worth	**6561**	6286

STATUS OF COMPANY'S AFFAIRS

Your Company is holding the most prominent position in the Dairy and Solar Industry through its customer focused approach by way of ensuring prompt products deliveries and after sales support.

The Company successfully completed and executed the largest ever Export order from Guyana Energy Agency (GEA), worth Rs. 68.51 Crore (USD 8387462) for supply of SPV Home Energy Systems in rural households of Hinterland Communities of the Cooperative Republic of Guyana Country by dispatching 30000 Nos. of systems.

In Dairy sector, during the year, the Company has received major orders of AMCU, ADPMCU, EMT, Milk Analyzers from various milk cooperatives across the Country. The Company's Dairy solutions are helping Milk societies to operate confidently and work with utmost transparency and efficiency. Due to Customer's faith, the Company is able to get good orders despite very competitive market scenario.

Automation, so far, has been the most significant boon for the dairy industry. REIL's Automatic Milk Collection Unit (AMCU) has been the harbinger of digitization and automation in the Dairy Supply chain. The solution is helping the dairy farmers, milk cooperative societies, and milk federations to boost their milk collection and procurement processes as a result their businesses are flourishing and farmers are getting right value of their milk through transparent operations. This year the Company received good orders for over 2000 AMCUs from across the Country.

In Renewable Energy Sector, the Company signed an MOU with Department of College Education, Govt. of Rajasthan for "Design, Supply, Installation & Commissioning of Grid connected SPV Power Plant in various Government Colleges including maintenance for the period of five years for cumulative 2830 kWp Grid connected SPV Power plants". Against this 1225 kWp has already been executed. Through this environment friendly step, electricity bills of Government Colleges will be minimized, especially where electricity consumption is higher.

The Company also received prestigious order from Rajasthan Council of School Education, Jaipur for implementation of Off Grid & Grid Connected SPV Power Plant(s) at 291 Govt. PM Shri Schools in the state of Rajasthan worth Rs. 12.75 Crore.

A Prestigious order worth Rs. 13.09 Crore was executed by the Company during the year for implementation of 500 numbers of Smart classes of Rajasthan Madarsa Board across the state of Rajasthan aimed at upgrading learning of minority students of the state. These classrooms will be enhanced with technological equipment for the purpose of interactive learning and teaching experience.

Under ongoing project of Geospatial Drone Survey and Development, Implementation & Maintenance of Enterprise Geospatial Solution for RIICO Industrial Areas (IAs), REIL completed Drone survey (Flying Drones & Collecting Raw data & images) and work of establishment of Ground Control Points & Monumentations of 300 numbers for 100 RIICO Industrial areas (IAs) with drone survey of total area of 17283.7 Hectares and created GIS plans for 251 RIICO Industrial areas (IAs).

Your Company continues with its task to build business with long term goals based on intrinsic strength in terms of its powerful brands, quality manufacturing process, excellent after-sales-service and customer relationships. It accords high priority to rationalizing and streamlining operations to bring about better efficiencies and reduction in costs.

DIVIDEND

Though the Company has posted marginal profit of Rs. 3.16 Crore for the F.Y. 2023-24 after a gap of four years but considering the future capital investment plan for expansion and in order to conserve the resources of the Company by taking into account the prevailing liquidity position and the need of resources for growth, it is proposed not to recommend any dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2024.

TRANSFER FROM GENERAL RESERVES

It is proposed to transfer Rs. 3.00 Crore to General Reserve of the Company from retained earnings for the year 2023-24.

CREDIT RATING

The Company has obtained its credit ratings from CARE. It has been given a rating 'CARE BB+; Stable by CARE for its long-term bank facilities. Similarly, for its short-term bank facilities the Company has been assigned 'CARE A4+' rating by CARE.

The ratings continue to derive strength from the established operations with long track record and diversified product portfolio.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Shri Sudhir Kumar Sharma, IAS, Managing Director, Rajasthan State Industrial Development and Investment Corporation Limited (RIICO), has been appointed as Chairman & Director w.e.f. 24.05.2023 and Shri Shivprasad Nakate, IAS, Managing Director, RIICO ceased to be Chairman & Director of the Company w.e.f. 24.05.2023.

Shri Shivprasad Nakate, IAS, Managing Director, Rajasthan State Industrial Development and Investment Corporation Limited (RIICO), has been appointed as Chairman & Director w.e.f. 27.02.2024 and Shri Sudhir Kumar Sharma, IAS, Managing Director, RIICO ceased to be Chairman & Director of the Company w.e.f. 27.02.2024

Dr. P.N. Sharma, GM, REIL has been appointed as Managing Director(Additional Charge) of the Company w.e.f. 01.08.2024 to 31.10.2024 or till further orders.

Ms. Mukta Shekhar, Joint Secretary, Ministry of Heavy Industries, GoI, New Delhi, has been appointed as nominee Director w.e.f. 10.04.2023

Smt. Anju Goyal, Financial Advisor, Rajasthan State Industrial Development and Investment Corporation Limited (RIICO), has been appointed as Director of the Company w.e.f. 20.03.2024.

Shri Manish Shukla, Financial Advisor, Rajasthan State Industrial Development and Investment Corporation Limited (RIICO), ceased to be Director of the Company w.e.f. 20.03.2024.

The Board of Directors places on record the deep appreciation of the valuable services rendered as well as advice and guidance provided by Shri Sudhir Kumar Sharma, Chairman & Director and Shri Manish Shukla, Director of the Company during their tenure.

Key Managerial Personnel

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are Shri Rakesh Chopra, Managing Director, Shri Subhash Agrawal, Chief Financial Officer and Shri Amit Kumar Jain, Company Secretary.

Declaration by Independent Directors

The independent directors have submitted the declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

CORPORATE AWARDS / RECOGNITIONS AND VISIBILITY

Continuing its tradition of bagging prestigious awards. The organization won following awards during the year.

- Certificate of Excellence' by the Employers Association of Rajasthan for Excellence in maintaining Employer-Employee relations and Adopting best practices in Occupation, Safety & Health and Skill Development.
- Shri Rakesh Chopra, MD, REIL has been honoured with PSU Samarpan Award 2024.
- Participation in the "Bharat Solar Expo 2024" organized by Rajasthan Solar Association on 2nd Feb 2024 at Rajasthan International Center, Jaipur.
- The Company participated in 50th Dairy Industry Conference during 04th - 06th March, 2024 at HITEX Exhibition Centre, Hyderabad (Telangana)
- A special memento in commemoration of REIL's 25-year association with DNV has been presented to MD REIL by lead auditor of DNV.

QUALITY & RELIABILITY

REIL pursues continual improvement in the quality of its products, services and performance leading to customer satisfaction through commitment, innovation and team work of all employees. REIL has established & maintained Quality Management System & Environment Management System.

PRODUCTION

The Company has produced 10535 Nos. of Electronic Milk Analysers as compared to previous year 9955 Nos. and 9.01 MW of Solar Photovoltaic Modules as compared to the previous year of 4.73 MW.

DEVELOPMENT OF SUPPORT UNITS & MSMEs

REIL as a policy puts emphasis on development of support industries and is in close interactions with support them for their technology up-gradation, which in turn helps in their quality improvement and volume production. REIL is fulfilling its requirement of raw material and components, from MSMEs.

REIL is regularly developing support industries by participating in the vendor development programmes organized by MSME from time to time. Procurement from MSMEs during 2023-2024 was of Rs. 58.77 crore. The Company has procured approx. 57.30% of total procurement of goods & services through GeM portal during the previous year.

ANNUAL RETURN

Annual Return pursuant to Section 92 (3) of the Companies Act, 2013, read with Section 134(3)(a) and rule 12(1) of the Company (Management & Administration) Rules, 2014 for the Financial Year ended 31st March 2024 is included in this Report as Annexure-A and forms an integral part of this Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress the complaints received regarding sexual harassment at workplace. The following is the summary of sexual harassment complaints received and disposed off during the current Financial Year.

1. Number of Complaints received : Nil

2. Number of Complaints disposed off : Nil

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as sub section (3) (m) of Section 134 of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are stated as under :

A. Sustainable Development and Conservation of Energy

At REIL Energy conservation plays a crucial role in our sustainable consumption strategy, extending beyond mere cost reduction. It serves as a vital component in our efforts to preserve the nation's energy reserves and mitigate the environmental impact of our operations. By implementing various measures, we aim to optimize our energy usage and contribute to a more sustainable future.

The company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. The Company is an Electronic Manufacturing Unit with environment friendly processes. Being in Renewable Energy sector, Sustainability is embedded in the organization's culture with the objective of aligning the interests of the Company with that of its Stakeholders. Periodic testing of environmental parameters is undertaken as per relevant legal requirements to make sure that processes are operating within the permissible limits.

The Projects & Impacts

Energy conservation initiatives in manufacturing units are monitored to achieve higher efficiency of power & fuels inputs. Some energy conservation measures taken during the year include:

- Awareness generation amongst employees about the necessity of energy conservation.;
- Identification of potential to reduce use of energy, arresting leakages, use of alternate sources of energy, identifying wasteful use of energy and plugging them and use of energy measurement system.

B. Technology Absorption and Research & Development

R&D is an important means for achieving future growth and maintaining a relevant product in the market. It significantly contributes towards organizational growth and sustained market share.

R&D activities follow a systemic approach of converting the market needs into technical specification, developing a new prototype, field trial of the prototype, Regulatory marketing & product development activities like documentation & final launching of the product. R&D activities also include improvement in existing products & processes. R&D activities also protect its proprietary rights of patents and non-disclosure agreements to maximize the company's profit. Company's R&D provides support to the various departments of the organization to improve productivity.

Company's R&D is separate from the other parts of the organization and equipped with the latest tools and technology-based equipment & skilled manpower. The company's R&D is registered with the Department of Science & Industrial Research (DSIR), Government of India. Company's R&D mainly works in the field of agro dairy & renewable energy to provide solutions to the rural masses via process innovation.

Major activities undertaken by R&D includes:

a) Design and Development of the SMD based EWS

Electronic Weighing Scale is a device which is used in dairy village societies to measure the weight of milk collected. It is an integral part of the DPMCU system. Initially designed and developed EWS was based on through hole components and cost was also very high. To reduce the cost, integrate more features and start inhouse manufacturing of the EWS, design and development of the SMD based EWS design has been taken.

b) Design and development of the Digital Stirrer

The Digital Ultrasonic Stirrer serves the vital role of stirring milk samples before testing, eliminating micro air bubbles that naturally occur during milking. This ensures precise and reliable readings in milk analyzers relying on ultrasonic sound principles.

Responding to the evolving market demands, the Company has transitioned from traditional Analog reading-based ultrasonic stirrers to innovative Digital Ultrasonic Stirrer. Unlike analog counterparts, Digital Ultrasonic Stirrer incorporates a digital indication system for milk sample stirring timing. This feature not only ensures accuracy but also allows users to set and monitor stirring times for optimal results. The digital interface of Ultrasonic Stirrer is designed with user-friendliness in mind. Operators can easily set and monitor stirring times, making the process more intuitive and efficient.

c) Design and development of ADPU based on the 240 x 128 GLCD

Advanced Data Process Unit (ADV-DPU), is a dedicated unit, which receives data from peripherals, processes and transmits data to central server. It communicates with Dairy peripherals such as Milk Analyzer, Electronic Weighing Scale, and Remote Display Unit, Printer etc. via serial cable or Bluetooth interface.

d) Analyzer-Stirrer with DPU :

As per the requirement design and development of the all-in-one Analyzer-stirrer with DPU has been taken. A cabinet of the SS has been designed which incorporates the all components and PCBs. All the components, PCBs, motor assembly, display, keypads etc. has been integrated in the cabinet. The prototype has been designed and it is under testing phase.

Product up gradation

1. ADPU PCB Design Update
2. 4G modem based on EC200U
3. Alternate BLE design and development for ADPU
4. Advanced Features integration in ADPU
5. BMC Data-logger design up-gradation
6. Barcode Implementation of the Company items
7. BMC Data-logger Trial Production

ENGINEERING & DOCUMENTATION

The product documentation plays a critical role in ensuring consistency in manufacturing and operation. The R&D center manages the Document Archive and extends support to various divisions on a need basis. Besides above, Engineering activities like re-engineering, cost optimization through development of alternate sources, safeguarding the intellectual property of the company etc are also undertaken by the R&D Center. The R&D is also maintaining a library of technical books, journals, standards etc for reference of the developers.

R&D Expenditure

The expenditure on Research & Development (R&D) during the year is as under:

		(Rs. in Lakh)
(a)	Capital	0.00
(b)	Revenue	336.09
(c)	Total	**336.09**

(d) Total R&D expenditure, as a percentage of total turnover, stood at 1.78%

Foreign Exchange Earnings and Outgoings

During the year the Company has earned a sum of Rs. 6555 Lakhs in foreign currency. The Company has also used total foreign exchange worth of Rs. 416 Lakhs.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2023-24

Governance reflects the culture and values of a Company's board and management. For years, REIL functions within a sound Corporate Governance framework, which underlines its commitment to quality of governance, transparency in disclosures, consistent enhancement of stakeholders' value and corporate social responsibility. REIL endeavours to transcend beyond the basic and regulatory requirements of corporate governance, focusing consistently on building confidence of its shareholders, customers, employees, suppliers and the society at large. REIL's corporate governance framework rests upon the cornerstones of transparency, full disclosure, independent monitoring, and fairness to all, especially minority shareholders.

The Company has promoted practices, standards and resources to maximize the shareholder value legally, ethically and on a sustainable basis while ensuring fairness, transparency and accountability to benefit all stakeholders comprising customers, vendors, investors, regulators, employees and the society at large.

The Company's governance framework is based on the following principles:

- ❖ Timely and accurate disclosure of all material matters relating to the Company, including the financial situation, performance, ownership, and governance of the Company is ensured;
- ❖ Continuous and on-going focus on training, development and integration of employees across all levels to achieve Company's objectives;
- ❖ High degree of disclosure and transparency levels;
- ❖ Achievement of goals with compassion for people and environment;
- ❖ Full Legal and Regulatory compliance in all areas in which the Company operates;
- ❖ Recognition of obligations towards all stakeholders – shareholders, customers, employees, suppliers, society and robust systems and processes for internal control.

The Company believes in conducting business in a manner that complies with the Corporate Governance procedures and Code of Conduct, exemplifies each of the core values and positions REIL to deliver long-term returns to the shareholders, favourable outcomes to the customers, attractive opportunities to the employees, giving an opportunity to the suppliers to partner the Company in progress and enrichment of society

The Board of your Company constantly endeavors to set goals and targets aligned to the Company's vision and mission – “To be the Leader in the Rural Sector for business area of Dairy Electronics, significant player in Renewable Energy & Electric Mobility and in related areas of Information Technology applications & Skill Development.” and “To Put in efforts to meet the existing & emerging needs of customers and serve them through development/marketing and delivery of quality products and dependable after sales service.”

BOARD AND COMMITTEES :

a) Board of Directors :

The Company is a Government of India Company under the administrative control of the Ministry of Heavy Industries. The Board of Directors has a combination of Executive (Functional) and Non Executive Directors. As on 31 March, 2024, there were 5 Directors on the Board comprising of one Managing Director and Four Non-Executive Directors (including one Independent Directors). During the year, four Board Meetings were held on 19th June, 2023, 14th August, 2023, 12th December, 2023 and 20th March, 2024 respectively.

The details of composition of the Board as at 31.03.2024, the attendance record of the Directors at the Board Meeting and at the last Annual General Meeting (AGM), as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are as follows:

Name of the Director	Category	No. of Meetings attended	Whether attended last AGM held on 22.09.2023	No. of Directorships in other Public Companies	No of Committee positions held in Public Companies	
					Member	Chairman
Shri Shivprasad Nakate	Chairman (Part Time) (w.e.f. 27.02.2024)	1	N.A.	9	5	--
Shri Sudhir Kumar Sharma	Chairman (Part Time) (up to 27.02.2024)	3	Present	N.A.	--	--
Shri Rakesh Chopra	Managing Director	4	Present	NIL	--	--
Ms. Mukta Shekhar	Director (Part time) (w.e.f. 10.04.2023)	4	Not Present	8	--	--
Shri Manish Shukla	Director (Part time) (Upto 19.03.2024)	2	Present	2	--	--
Smt. Anju Goyal	Director (Part time) (w.e.f. 20.03.2024)	1	N.A.	1	--	--
Dr. Renuka Mishra	Director (Part time) (Upto 10.04.2023)	0	N.A.	N.A.	--	--
Shri Dinesh Kumar Sharma	Independent Director	3	Present	NIL	--	--

b) Board Procedure :

As a good governance practice and as per the guidance note issued by the Institute of Company Secretaries of India, the Board approves in advance, a tentative schedule of the Board Meetings to be held during the ensuing financial year considering the requirements under applicable laws w.r.t minimum number of meetings and maximum permissible time gap between two consecutive meetings. The Board agenda is circulated to the Directors in advance. The Board Agenda includes an Action Taken Report comprising of actions arising from the Board Meetings and status updates thereof. The Board meets at regular intervals to discuss and decide on business strategies/policies and review performance of the Company. Video-conferencing facility as per procedure mandated under the Act, is also provided to facilitate the Directors participating in the meetings conveniently.

c) Board's Responsibilities :

The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its responsibilities and ensures that the management adheres to ethics, transparency and disclosures which ultimately serve the long-term goals of all its stakeholders along with achieving the Company's objectives and sustainable profitable growth.

d) Audit Committee :

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013. During the financial year ended 31st March, 2023, four Audit Committee Meetings were held on 19th June, 2023, 10th August, 2023, 12th December, 2023 and 20th March, 2024 respectively.

During the Financial Year 2023-24, the composition of the Audit Committee was as under:

Name of Director attended	Category	No. of Audit Committee meetings attended
Shri D. K. Sharma	Chairman	4
Shri Rakesh Chopra	Managing Director	4
Shri Manish Shukla	Director (Part Time)	3

The terms of reference of the Board Level Audit Committee specified by the Board are in conformity with the requirements of Section 177 of the Companies Act, 2013.

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Significant adjustments made in the financial statements arising out of audit findings;
4. Reviewing, with the management, the quarterly financial statements and auditor's report thereon before submission to the board for approval;
5. Review and monitor the auditor's independence and performance and effectiveness of audit process;
6. Discussion with internal auditors on any significant findings and follow up thereon.
7. Evaluation of internal financial controls and risk management systems;
8. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

e) Other Committees of Directors:

The Board has constituted the Committees of Directors and delegated powers and responsibilities with respect to specific purposes. The Committees such as Nomination and Remuneration Committee, CSR Committee, SD Committee, R & D Committee, Ethics Committee and Steering Committee having representation of Independent Director(s). Meeting of these have been duly conducted as and when required. Company has a Whistle Blower Policy where no personnel have been denied access to the audit committee.

MANAGEMENT ANALYSIS AND DISCUSSION

The Management discussion and analysis statements are attached to this report.

HUMAN RESOURCE MANAGEMENT :

Human Resource policies and processes of the Company have transformed and evolved over the years in order to stay relevant to the changing environment, enhancement of organizational agility and ensure compliance with the changing rules and regulations from time to time. At the close of financial year 2023-24 the total number of employees on permanent rolls of the company is 182.

Training & Development

Training and development programs are integral to the Company, emphasizing continuous learning for its employees. The Company invests in and encourages its employees to acquire both technical and behavioral skills to enhance quality, productivity, and achieve excellence in their respective areas, thereby staying abreast of changing technologies and skills. In the financial year 2023-24, the Company conducted a total of 81 man-days of training for officers, supervisors, and workers.

During the financial year 2023-24, the Company conducted a diverse range of training programs for employees both internally and externally. These included workshops on Procurement by CPSEs with focus on social inclusion in procurement, Systems & Procedures of the Organization, Prevention of sexual harassment & safety and security of women at workplace Vigilance course Preventive Vigilance, Joint surprise check, Departmental enquiry etc., Interactive workshop on Procurement by CPSEs through GeM, Webinar/ Seminar on Disaster Management, Public Interest Disclosure and Protection of Informers Resolution, Cyber Hygiene and Security, Training on Ethics & Governance and Official language policy and rules and common mistakes in use.

Promotion of Hindi Language

The Company is continuously making vigorous efforts for the propagation and successful implementation of the Official Language Policy. The Official Language Implementation Committee regularly monitors and reviews the progress. To inculcate the knowledge of official language, training programme on Hindi Typing has been designed and implemented. Various competitions, prizes and incentives were declared by the Company for promoting the use of Hindi language in the fortnight long “Hindi Pakhwada”. Employees from non-Hindi speaking areas are also motivated for the same. The Company has actively participated in the various activities being organized by NARAKAS, Jaipur during the year 2023-24.

Corporate Social Responsibility

Your Company believes that Corporate Social Responsibility (CSR) plays a major role in the development of the country. Therefore, it has made CSR an integral part of its ethos and culture. For the financial year 2023-24 the Company has not undertaken any CSR projects due to non-availability of CSR funds as per the requirement of The Companies (CSR Policy) Rules, 2014.

Right To Information Act, 2005

The Company has complied with the provisions of the Act and has placed the details like – name of Public Information Officer (PIO), Assistant Public Information Officer (APIO) and Appellate Authority on its website.

Deposits :

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 during FY 2023-24.

OTHER INFORMATION

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirms that:

I. that in the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

II. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2023-24 and profit of the Company for that period;

III. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

IV. that the annual accounts have been prepared for the financial year ended 31st March, 2024 on a 'going concern' basis'

V. that the Directors has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

VI. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATUTORY AUDITORS

The Comptroller & Auditor General of India (CAG) has appointed Y Chaturvedi & Co, Jaipur as Statutory Auditors of the Company for the Financial Year 2023-24.

The Statutory Auditors of the Company have given qualified report on the accounts of the Company for the Financial Year 2023-24. The Management response on the qualification in the Statutory Auditors Report is as per annexure-B. The emphasis of matter given in Statutory Auditor's report is noted. Annexure-3 to the Independent Auditors Report dated 06.09.2024 in respect of qualified opinion regarding point (a) (b) is self-explanatory and do not call for any further comments.

COMMENTS OF C&AG

The review of Financial Statements for the year ended 31st March, 2024 has been carried out by the Comptroller and Auditor General of India (C&AG). Review and Comments of C&AG forms part of this report.

COST AUDITORS

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are prepared and records have been maintained relating to division. The Cost Audit Report for the year ended March 31, 2023 of the Company was filed with the Central Government within the prescribed time. M/s K G Goyal & Associates, Jaipur were the Cost Auditor of the Company for the FY 2023-24.

The Board of Directors has re-appointed M/s K.G. Goyal & Associates, Jaipur as Cost Auditors to conduct the Cost Audit for the year 2024-25.

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013

There was no employee of the Company who received remuneration in excess of the limits prescribed under the Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence the information may be treated as NIL.

APPRECIATIONS & ACKNOWLEDGEMENT

Your Directors thank the Government of India, the State Governments and various regulatory authorities for their co-operation and support to facilitate ease in doing business. The Board also gratefully acknowledges the support and guidance received from various Ministries of the Government of India, particularly the Ministry of Heavy Industries, and from Management of RIICO, for their continued support and guidance.

Your Directors also wish to thank its customers, business associates, distributors, channel partners, suppliers and bankers for their continued support and faith reposed in the Company.

Your Directors wish to place on record deep appreciation, for the contribution made by the employees at all levels for their hard work, commitment and dedication towards the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Jaipur — Sd/-

Date : 30.10.2024 — **CHAIRMAN**

Annexure to Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS

a) CORPORATE OVERVIEW

The focus is on Shaping Rural India through Electronics, Renewable Energy & IT Solutions. REIL provides technology solutions for qualitative & quantitative analysis of milk across all verticals of Dairy Industry sector, addresses needs of the rural and related urban sector through Solar Photo Voltaic, Information Technology & Security Surveillance applications. The Company has diversified in the area of Geospatial Drone Survey. REIL products contribute to the social and economic welfare of the rural masses. The Financial Year 2023-24 has been positive in terms of acquiring good orders with futuristic scope, project-centric operation and business diversification in key area that will lead to growth in the current financial year in terms of progress of the Company in stiff competitive business scenario.

b) ECONOMY REVIEW

Global Economy and Outlook

The global economy remained resilient in 2023 despite the escalation of geo-political conflicts, higher-for-longer interest rates and demand slowdown. High interest rates have also speculated a period of recession in the major economies like the US and the EU, which have been outdone in CY2023. After projecting global economic growth of 3.1% in CY2023 in its Jan 2024 outlook, the IMF has upgraded its projection to 3.2% in its April 2024 outlook.

However, several economies demonstrated resilience in these times of adversity. Emerging markets and developing nations such as India, Mexico and Vietnam observed robust growth and foreign capital inflow. Furthermore, with debottlenecking of supply chains and easing of restrictive monetary policies, global inflation rate fell from its peak in CY2022 to 6.82% in CY2023. Certain low-income and frontier economies also reclaimed their position in the market.

Indian Economy Overview and Outlook

Despite a sluggish global economy, India maintained its trajectory as one of the fastest growing economies in the world. This economic growth can be primarily attributed to robust domestic consumption and less reliance on foreign imports. While government initiatives facilitated domestic demand, increased investments to bolster manufacturing sector and improve digital and physical infrastructure mitigated supply chain issues effectively. The government's emphasis on improving infrastructure, as evident through initiatives such as the PM Gati Shakti National Master Plan, logistics upgradation and industrial corridors, is anticipated to increase industrial competitiveness and spur future growth. In FY2024, India's GDP touched 7.6% with Current Account Deficit (CAD) at 1.9% of GDP.

c) Internal control system and its adequacy :

The Company's internal control system ensures efficiency, reliability, completeness of accounting records and timely preparation of reliable financial and management information. In addition, it also ensures compliances of all applicable laws and regulations, optimum utilisation and protection of the Company's assets. In order to ensure that all checks and balances are in place and all internal control system are in order, regular and exhaustive internal audit of various divisions are conducted by experienced firm of Chartered Accountants.

d) Risk management report :

Overview

Risk is an integral and unavoidable component of all businesses. REIL's Risk management Plan plays a key role in supporting the business to deliver sustainable growth and generating value for its customers, investors, employees and other stakeholders. Though risks cannot be completely eliminated, an effective risk management plan ensures that risks are reduced, avoided, retained or shared. Risk management is embedded within our operating framework and we have a well-defined, internal financial control structure. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

Risk Management Practices - The key risk management practices include the following reporting process.

- Risk Identification and Assessment
- Risk Evaluation
- Risk Reporting and Disclosures
- Risk Mitigation and Monitoring
- Integration with Strategy and Business Plan

Risks are governed by the Board of Directors, Managing Director and the heads of concerned departments.

e) Analysis and Review

The Company is holding prominent position in the Dairy Industry through its customer focused approach by way of ensuring prompt products deliveries and after sales support. Besides achieving business targets, the focus of the division has been to satisfy its esteemed customers. The division continuously provides best services to its customer through deployment of accurate and reliable testing equipment at village level / milk collection centre in the villages and strategically manpower deployment throughout the country.

Electronics Division has contributed in Government's "Digital India" Mission by way of introducing "Dugdh Sankalan Sathi" Mobile App based on Android platform and "SIMCOS" for milk collection and management of daily transactions in milk unions of across country and majorly includes Milkfed-Punjab,Ajmer Dairy-Rajasthan, Animal Husbandry Department- Rajasthan and various milk collection societies of Madhya Pradesh and other states to bring more transparency among the milk producer regarding their milk collection and payments cycle.

The Electronics Division achieved a turnover of Rs. 80.96 Crore during the Financial Year 2023-24 and deployed approx 7429 nos. of Milk Analyser and automation solutions including Electronic Milk Testers (EMT), Electronic Milk Adulteration Tester (EMAT- Advance), Milk Analysers, Auto-EMT, Automatic Milk Collection Units (AMCU), Advance DPU based MCU, SPV Based Advance DPU MCU, Integrated Milk Management Software, Electronic Weigh Scales, Solar Power Pack for milk societies, etc.

During this year, in Renewable Energy Division, the Company has executed projects for various CPSEs & Departments i.e. Power Finance Corporation Limited, SEWA THDC, GAIL (India) Limited, Forest department, Water Shed, PHED department, Education department Rajasthan, Court & Pvt. Module Sale etc.

During the year, the Company has received order of cumulative 860 kWp Grid Connected SPV Power Plant(s) capacity at various court complexes in Rajasthan and executed 790 kWp capacity at 31 nos. Court Complexes. The Company has also received & executed order of 131 nos. of 2 HP / 3 HP / 5 HP / 7.5 HP / 10 HP / 20 HP SPV Water Pumping Systems in Rajasthan through Forest department, Water Shed & PHED department, Centre of Excellence & MPLAD Programme for Pumps.

The Company has deployed its variety of green solutions viz. SPV based LED Street Lighting Systems, SPV Power Plants, SPV Water Pumping Systems, SPV based Smart Classrooms (New) etc. under CSR initiatives of various CPSEs across the Country, contributing to a business of Rs. 13.32 Crore during the year.

Under IT initiatives in the Dairy Sector, the Company has received an order from Department of Animal Husbandry, GoR for design, development and implementation of Integrated Online Monthly Progress Report (MPR) System in existing Pashuaushadh (IOMMS) software designed by REIL. The integrated online MPR system will provide the department with complete MIS of all the segments making it easier to trace the progress of overall activities on monthly basis.

Annexure-A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2024

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS

I. CIN	U51395RJ1981GOI002249
II. Registration Date	12th June, 1981
III. Name of the Company	RAJASTHAN ELECTRONICS AND INSTRUMENTS LIMITED
IV. Category / Sub-Category of the Company	Central Public Sector Enterprise / Company Limited by shares
V. Whether listed company Yes / No	No
VI. Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:-

SL. No.	Name and Description of main products/services	NIC Code of the product/ service *	% to total turnover of the Company
1.	Dairy Milk Testing Equipment	2651 - Manufacture of measuring, testing, navigating and control equipment	43.55%
2.	Solar Photovoltaic Modules / Systems.	3510- Electric power generation, transmission and distribution	56.45%

** As per National Industrial Classification – Ministry of Statistics and Programme Implementation*

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable section
1.	Nil	Nil	Nil	Nil	Nil	Nil

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2023)				No. of Shares held at the end of the year (As on 31-03-2024)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian a) Individual/HUF b) Central Govt c) State Govt (s)	N.A.	6247500	6247500	51%	N.A.	6247500	6247500	51%	0.00
d) Bodies Corp.	N.A.	6002500	6002500	49%	N.A.	6002500	6002500	49%	0.00
e) Banks / FI f) Any Other									
Sub-total (A) (1):-	N.A.	12250000	12250000	100%	N.A.	12250000	12250000	100%	0.00
(2) Foreign a) NRIs - Individuals b) Other Individuals c) Bodies Corp. d) Banks / FI e) Any Other									
Sub-total (A) (2) :-	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1) + (A)(2)	N.A.	12250000	12250000	100%	N.A.	12250000	12250000	100%	0.00
B. Public Shareholding									
1. Institutions a) Mutual Funds b) Banks / FI c) Central Govt. d) State Govt (s) e) Venture Capital Funds f) Insurance Companies g) FIIs h) Foreign Venture Capital Funds i) Others (specify)	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
Sub-total(B)(1) :-	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00

2. Non-Institutions a) Bodies Corp. i) Indian ii) Overseas b) Individuals i) Individual shareholders holding nominal share capital upto Rs.1 lakh ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh c) Others Sub-total (B)(2):-	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2):-	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
Grand Total (A+B+C)	**N.A.**	**12250000**	**12250000**	**100%**	**N.A.**	**12250000**	**12250000**	**100%**	**0.00**

(ii) Shareholding of Promoters

SL. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2023)			Shareholding at the end of the year (As on 31-03-2024)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	The President of India	6247500	51	-	6247500	51	-	-
2.	RIICO	6002500	49	-	6002500	49	-	-
	Total	**12250000**	**100**	**-**	**12250000**	**100**	**-**	**-**

(iii) Change in Promoters' Shareholding as on March 31, 2024 (Please specify, if there is no change)

Name	Shareholding at the beginning of the year (As on 01-04-2023)		Date	Increase / Decrease in Share-holding	Reason	Cumulative Shareholding during the year (01-04-2023 to 31-03-2024)	
	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
The President of India	6247500	51	31.03.2024	No Change		6247500	51
Rajasthan State Industrial Development & Investment Corporation Ltd. Jaipur	6002500	49	31.03.2024	No Change		6002500	49

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NIL			
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NIL			
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	**Nil**	**Nil**	**Nil**	**Nil**
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Net Change	**Nil**	**Nil**	**Nil**	**Nil**
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	**Nil**	**Nil**	**Nil**	**Nil**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakh)

SL. No.	Particulars of Remuneration	Name of Managing Director
		Shri Rakesh Chopra
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	 42.19 0.85
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify…	-
5.	Others i.e. PF and Pension	3.63
	Total (A)	46.67

B. Remuneration to other Directors :

(Rs. in Lakh)

SL. No.	Particulars of Remuneration	Name of Directors
		Shri D. K. Sharma
1.	Independent Directors ● Fee for attending board / committee meetings ● Commission ● Others, please specify	0.60
	Total (1)	**0.60**
2.	Other Non-Executive Directors ● Fee for attending board / committee meetings ● Commission ● Others, please specify	Nil
	Total (2)	**Nil**
	Total (B) = (1+2)	0.60
	Total Managerial Remuneration	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs. in Lakh)

SL. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO (Shri Subhash Agrawal)	Company Secretary (Shri Amit K. Jain)	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Not Applicable	36.75 0.11	13.89 0.22	50.64 0.33
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - others, specify…		-	-	-
5.	Others i.e. PF and Pension		3.12	1.24	4.36
	Total		**39.98**	**15.35**	**55.33**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding Fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give details)
NIL					

Annexure-B

The Management Response on the qualification in the Independent Auditors' Report is mentioned below:

Observations	Management's Comments
a. <u>Non reporting of cancellation of subsidy by GOI in relation to EV chargers under FAME-II and non accounting of cancellation of subsidy and return of goods by Magenta</u> The company has not accounted for the return of goods during the year by M/s Magenta Power Pvt. Ltd together with resultant effect on subsidy receivable. The details are as follows: The company had allotted the work to M/s Magenta Power Pvt. Ltd. as O&M partner for 10 years as per devised business model of the company (i.e. investment by O&M partner- 30% on EV Charger cost under category A + offered Upfront Payment + offered Revenue Sharing) under FAME-II scheme of MHI. The company sold material worth Rs. 19.36 crore (incl GST) to the party in FY-2021-22. The company recognized and adjusted the government grant of Rs. 13.32 Crore towards this supply. The company terminated the MOA with M/s Magenta Power Pvt. Ltd. due to breach of terms of agreement; whereupon M/s Magenta Power Private Limited filed S.B. Civil Arbitration Application no. 12/2023, 13/2023 and 14/2023 under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for seeking appointment of an arbitrator for resolution of the disputes. On 06.10.2023 Hon'ble High Court, Jaipur appointed a Sole Arbitrator to adjudicate the disputes between the parties. As per the directions of sole Arbitrator M/s Magenta Power Private Limited has handed over the material to the company. The material worth Rs. 8.17 Cr.(excl. GST) has been received back in the factory at Kanakpura while material worth Rs. 4.70 Cr. (excl. GST) is said to be lying in premises of Bhopal City Link Ltd., Bhopal and material worth Rs. 4.70 Cr. (excl. GST) is said to be lying in premises of Atal Indore City Transport Services Limited. As the material has been returned back by M/s Magenta Power Pvt. Ltd, and the company has itself stated that it has finalized new agency to work in place of M/s Magenta Power Pvt. Ltd hence the company should have accounted for return of goods from the party as well as resultant effect on inventory, subsidy and expense heads. As a result: - Current Liabilities (Magenta Power A/c) has been understated by Rs. 6.04 Crore (with amount of sale return incl. GST). - Sales is overstated by Rs. 18.43 Crore (in respect of return of material by Magenta Power Pvt. Ltd) - Inventory is understated by Rs. 17.56 Crore (Cost of material returned by Magenta). - GST Expenses is understated by Rs. 0.92 Crore - Subsidy Receivable from Government is overstated by Rs. 12.85 Crore (amount outstanding in books) and Current Liability is understated by Rs. 0.47 Crore (Difference of subsidy recognized in relation to Magenta and the amount already shown as subsidy receivable from Govt.), - Profit is overstated by Rs. 1.79 Crore (amount of difference in sale value and cost and GST Exp.) Further, looking to the period of delay of approx 3 years and fast technological changes in the field of electric charging, the inventory received back from Magenta might have suffered impairment in value but no such assessment has been carried out by the company and we cannot comment thereon. Moreover the warranty period has also expired by this duration.	Matter in respect of cancellation of sanction / allotment of EV chargers under FAME-II scheme has not been accounted for as communication has been received from Government of India on 04.09.2024 allowing the Company for execution of EV Charging Infrastructure project for 222 EV PCS allotted under FAME II Scheme. Therefore, Management is of the opinion that there is no need for further accounting adjustments as matter is pending in court of law. As per Clause no. 14.2 of memorandum of agreement with M/s. Magenta Power Pvt. Ltd. "In case of early termination REIL shall have the right to dismantle the charging equipment and take control in its custody the charging equipment". Accordingly, Hon'ble arbitrator ordered the Company to take custody of the material and the custody of the material without assigning value to the same as title of goods are still in the name of charge point operators had been taken by the Company. In this regard status has also been disclosed at Note No. 7.2 of the financial statements for the year 2023-24 reproduced as under: "In FAME II scheme of Electric Vehicle Charging Station, Grant of Rs 8.15 crore was received for 680 EVCS to establish 222 nos of EVCSs. The Grant has been utilized to the extent of 70% of EVCS invoiced, further Rs 12.85 crore towards the remaining unadjusted amount of EVCS is receivable from Government of India. The Memorandum of Agreement was terminated due to breach of the terms of the Agreements on the part of M/s Magenta Power Private Limited & M/s. Tecso Chargezone Pvt. Ltd. to fulfil their obligation of submitting the Performance Bank Guarantee. M/s Magenta Power Private Limited has filed S.B. Civil Arbitration Application no. 12/2023, 13/2023 and 14/2023 under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for seeking appointment of an arbitrator for resolution of the disputes. On 06.10.2023 Hon'ble High Court, Jaipur passed an order to adjudicate the disputes between the parties. As per sole Arbitrator directions M/s. Magenta Power Private Limited has handed over material to the Company. As final decision has not been pronounced by the arbitrator yet, therefore the adjustments of the same in the books of accounts has not been carried out"

b. <u>Insufficient Provision for bad and doubtful debts</u> We have been informed that out of total debtors of Rs. 177.10 crores, the debtors amounting to Rs. 77.60 crore are outstanding for more than 5 years which constitutes 43.60% of total debtors. We have observed that in many of these accounts the amount is said to have been withheld on account of liquidated damages (LD) or non performance of contractual obligations. Moreover, the company has represented that there is regular follow up for recovery but in vain and that LD is not leviable on company for diverse reasons. The company has not maintained consolidated detail regarding specific reasons of non-recovery in these accounts including LD imposed by debtors. The company has even sent legal notices in some cases after the observation by C&AG inspection in case of few accounts. Against the amount of Rs. 77.60 crore outstanding for more than 5 years the provision for doubtful debts of Rs. 23.28 crore has already been made in the books of accounts (as per policy of company) and creditors amounting to Rs. 38.45 crore are said to be outstanding on back to back basis, which leaves Rs. 15.87 crore the recovery of which is also not ascertainable. Further more the total provision for bad and doubtful debts as on 31.03.2024 is Rs. 25.30 crore (incl. 23.28 crore in respect of debtors above 5 years), which shows that in respect of balance debtors outstanding for less than 5 years, provision of only Rs. 2.14 crore. The above facts indicate that the provision for doubtful debts is insufficient, but due to lack of complete details and lack of reasonable ascertainment of realisability of dues from debtors we are unable to quantify the same. Moreover in absence of complete information and assessment of liquidated damages imposed by various debtors we cannot quantify its effect on profit and loss/reserves of the company.	The Company has made provision for bad and doubtful debts as per consistent accounting policy followed on year to year basis. In opinion of the Management, sufficient provision has been created for bad and doubtful debts as apart from total provision of Rs. 25.30 crore, most of the old outstanding balances are duly covered by receivable from customers as well as payable to the vendors / sub-contractors on back to back basis. In this regard please refer to note No. 32.3(C) of balance sheet for the year 2023-24 is reproduced as under:- "Trade payable includes Rs. 9593.19 lakhs as at March31, 2024 (Rs. 9602.02 lakhs as at March 31 2023) payable to the suppliers/contractors only when the payment is received from respective customers."
c. <u>EESL-Nimboni Additional Site</u> The company had supplied SPV Power Plant to Energy Efficiency Services Limited at Nimboni Additional Site (Maharashtra) in year 2019-20 for Rs. 4.03 crore (incl GST). Thereafter credit note was issued for Rs. 1.14 crore (incl. GST) in FY 2021-22 towards sales return out of this sale. The material sold to EESL was purchased from M/s Powerone Microsystem Pvt Ltd.. As per the information available the work could not be started at this location. Apart from material returned to REIL (as mentioned above), the balance material has been taken back by M/s Powerone. In this regard no accounting entries have been made in books of accounts except for return of SPV power plant amounting to Rs. 1.14 crore (incl GST). The amount outstanding as due to be received from EESL in respect of this project is Rs. 2.89 Crore which is actually not receivable and thus the debtor is overstated by Rs. 2.89 Crore. Further the creditor account of M/s Powerone is overstated by Rs. 2.20 Crore which is in respect of material burnt at site and taken back by Powerone Microsystem.	Legal notice has been issued to M/s. EESL to complete the work order at their risk & cost and to recover outstanding balance. As the contract was awarded to M/s Powerone Microsystem Pvt Ltd. for execution on back to back payment term basis, therefore, accounting adjustments shall be carried out after settlement of all the issues.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAJASTHAN ELECTRONICS AND INSTRUMENTS LIMITED FOR THE YEAR ENDED 31st MARCH, 2024

The preparation of financial statements of Rajasthan Electronics and Instruments Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 06 September, 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Rajasthan Electronics and Instruments Limited for the year ended 31 March 2024 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to enquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit; nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(S. Ahlladini Panda)
Director General of Audit
(Industry & Corporate Affairs)
New Delhi

Place : New Delhi
Dated : 25 OCT 2024

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Rajasthan Electronics & Instruments Limited

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying Financial Statements of Rajasthan Electronics & Instruments Limited ("the Company") which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date, and notes to the Financial Statements, including a summary of Significant Accounting Policies and Other Explanatory Information.

In our opinion and to the best of our information and according to the explanations given to us **except for the effects of the matter described in the Basis for Qualified Opinion paragraph,** the aforesaid Financial Statements give the information required by the Companies Act, 2013(the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act 2013, "the Act" read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind As") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2024, and its Profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR QUALIFIED OPINION

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We, having obtained sufficient appropriate audit evidence, conclude that misstatements, individually or in aggregate, are material but not pervasive to the financial statements.

We draw your attention towards matters specified below on the basis of which we are expressing qualifying opinion over the financial statements :

a. **Non reporting of cancellation of subsidy by GOI in relation to EV chargers under FAME-II and non accounting of cancellation of subsidy and return of goods by Magenta**

The company has not accounted for the return of goods during the year by M/s Magenta Power Pvt. Ltd together with resultant effect on subsidy receivable. The details are as follows:

The company had allotted the work to M/s Magenta Power Pvt. Ltd. (M/s Magenta) as O&M partner for 10 years as per devised business model of the company (i.e. investment by O&M partner- 30% on EV Charger cost under category A + offered Upfront Payment + offered Revenue Sharing) under FAME-II scheme of MHI. The company sold material worth Rs. 19.36 crore (incl GST) to the party in FY-2021-22. The company recognized and adjusted the government grant of Rs. 13.32 Crore towards this supply.

The company terminated the MOA with M/s Magenta due to breach of terms of agreement; whereupon M/s Magenta filed S.B. Civil Arbitration Application no. 12/2023, 13/2023 and 14/2023 under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for seeking appointment of an arbitrator for resolution of the disputes. On 06.10.2023 Hon'ble High Court, Jaipur appointed a Sole Arbitrator to adjudicate the disputes between the parties. As per the directions of sole Arbitrator M/s Magenta has handed over the material to the company. The material worth Rs. 8.17 Cr.(excl. GST) has been received back in the factory at Kanakpura while material worth Rs. 4.70 Cr. (excl. GST) is said to be lying in premises of Bhopal City

Link Ltd., Bhopal and material worth Rs. 4.70 Cr. (excl. GST) is said to be lying in premises of Atal Indore City Transport Services Limited.

As the material has been returned back by M/s Magenta, and the company has itself stated that it is going to appoint new agency to work in place of M/s Magenta, hence the company should have accounted for return of goods from the party as well as resultant effect on inventory, subsidy and expense heads but it has not passed any entries in this regard. As a result:

- Current Liabilities has been understated by Rs. 6.04 Crore (with amount of sale return net of subsidy and incl. GST).
- Sales is overstated by Rs. 18.43 Crore (in respect of return of material by M/s Magenta Power Pvt. Ltd)
- Inventory is understated by Rs. 17.56 Crore (Cost of material returned by M/s Magenta).
- GST Expenses is understated by Rs. 0.92 Crore
- Subsidy Receivable from Government is overstated by Rs. 12.85 Crore (amount outstanding in books) and Current Liability is understated by Rs. 0.47 Crore (Difference of subsidy recognized in relation to Magenta and the amount already accounted as subsidy receivable from Govt.),
- Profit is overstated by Rs. 1.79 Crore (amount of difference of sale return and cost of goods returned plus GST Exp. on sale return)

Further, looking to the period of delay of approx 3 years and fast technological changes in the field of electric charging, the inventory received back from M/s Magenta might have suffered impairment in value but no such assessment has been carried out by the company and we cannot comment thereon. Moreover the warranty period has also expired by this duration.

b. Insufficient Provision for bad and doubtful debts.

We have been informed that out of total debtors of Rs. 177.10 crores, the debtors amounting to Rs. 77.60 crore are outstanding for more than 5 years which constitutes 43.60% of total debtors. We have observed that in many of these accounts the amount is said to have been withheld on account of liquidated damages (LD) or non performance of contractual obligations. Moreover the company has represented that there is regular follow up for recovery but in vain and that LD is not leviable on company for diverse reasons. The company has not maintained consolidated detail regarding specific reasons of non-recovery in these accounts including LD imposed by debtors. The company has even sent legal notices in some cases after the observation by C&AG inspection in case of few accounts.

Against the amount of Rs. 77.60 crore outstanding for more than 5 years the provision for doubtful debts of Rs. 23.28 crore has already been made in the books of accounts (as per policy of company) and creditors amounting to Rs. 38.45 crore are said to be outstanding on back to back basis, which leaves Rs. 15.87 crore the recovery of which is also not ascertainable.

Furthermore the total provision for bad and doubtful debts as on 31.03.2024 is Rs. 25.30 crore (incl. 23.28 crore in respect of debtors above 5 years), which shows that in respect of balance debtors outstanding for less than 5 years, provision of only Rs. 2.14 crore.

The above facts indicate that the provision for doubtful debts is insufficient, but due to lack of complete details and lack of reasonable ascertainment of realizability of dues from debtors we are unable to quantify the same. Moreover in absence of complete information and assessment of liquidated damages imposed by various debtors we cannot quantify its effect on profit and loss/reserves of the company.

c. <u>EESL-Nimboni Additional Site</u>

The company had supplied SPV Power Plant to Energy Efficiency Services Limited at Nimboni Additional Site (Maharashtra) in year 2019-20 for Rs. 4,03 crore (incl GST). Thereafter credit note was issued for Rs. 1.14 crore (incl. GST) in FY 2021-22 towards sales return out of this sale. The material sold to EESL was purchased from M/s Powerone Microsystem Pvt Ltd.. As per the information available the work could not be started at this location. Apart from material returned to REIL (as mentioned above), the balance material has been taken back by M/s Powerone.

In this regard no accounting entries have been made in books of accounts except for return of SPV power plant amounting to Rs. 1.14 crore (incl GST).

The amount outstanding as due to be received from EESL in respect of this project is Rs. 2.89 Crore which is actually not receivable and thus the debtor is overstated by Rs. 2.89 Crore.

Further the creditor account of M/s Powerone is overstated by Rs. 2.20 Crore which is in respect of material burnt at site and taken back by Powerone Microsystem.

Although quantification of effect of qualifications could not be made in the case of point no (b), but as mentioned in Point No. (a) & (c) the Revenue is overstated by Rs. 18.43 Crores & Expenses are understated by Rs. 1.79 Crores. Similarly Current Assets have been understated by Rs. 1.82 Crores & Current Liabilities are understated by Rs. 4.31 Crores.

EMPHASIS OF MATTER

Without qualifying our opinion in this respect we draw your attention towards matters specified below which are of such importance that these are fundamental to the user's understanding of financial statements.

a. Note No 7.1 & 19 B wherein balances of Trade receivables and Trade payables have not been confirmed. Consequential impact on confirmation/ reconciliation/ adjustment of such balances (which will not be material as per management), if any, is not ascertainable.

b. Note No. 8.1 regarding Deferred Tax Assets of Rs. 21.09 crores carried in books of account in view of the reasons stated therein, the realization of which would depend on generation of sufficient profits in the future as anticipated / projected by the management.

c. Note No 32.3(c) with respect to trade payables which includes Rs 95.93 crores payable to contractors only when the payment is received from customers.

d. Note No 20.1.2 regarding non-disclosure of contingent liability of interest claim by an MSME vendor (M/s Gan sun Global Solutions India Private Limited) on an amount of Rs. 14.75 lacs as the amount of interest is not ascertainable.

e. Note No. 10.2 regarding writing down of inventory by Rs. 56 lakh in respect of sale reversal. During the year, the company has booked sales return of Solar LED Street Light System amounting to Rs. 19223400/- in respect of sales made in FY-2019-20. The material included batteries which have got discharged and thus their value has been written down by Rs. 56 lakh (80% of cost). The quality check of other material of 800 street light system was also pending and we cannot comment on impairment in its value, if any. Further there is loss of GST of Rs. 17.10 lakh as the GST on sale return after 4 years cannot be adjusted from GST liability of company. Moreover it may also be seen that company has accepted sale return after 4 years which shows that there is no policy regarding accepting sale return.

f. The Government had cancelled the sanction/allotment of EVCS under Fame II scheme due to non-commissioning of chargers vide letter dated 31/07/2023 and had directed the company to refund the subsidy amount of Rs. 8,15,08,000/- with interest thereon. Although now after various representations of the company the Government has issued a letter on 04/09/2024 that REIL may complete the execution of 222 numbers EVCS by 31/03/2025 and the release of remaining subsidy will be done as per the Fame-II Scheme.

Our opinion is not modified in respect of the above matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statement of current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have not determined the matters to be the key audit matters to be communicated in our report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Annual Report, but does not include the Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to report that fact. On the auditor's report date, we have nothing to report in this regard, as the Annual Report is expected to be made available to us after the date of this auditor's report.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (IND AS)prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Director's are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors.

iv) Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of Misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (1) Planning the scope of our audit work and in evaluating the results or our work (2) to evaluate the effect if about udentified misstatements in the Financial Statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered and according to the information and explanations given to us, in the "Annexure 2" on the directions issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper Books of Account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity and Statement of Changes in other Equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
   (e) The provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the company, being a Government Company in terms of notification no. G.S.R.463 (E) dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government of India.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 3"**.
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   The provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration are not - applicable to the Company, being a Government Company, in terms of Ministry of Corporate Affairs Notification no. G.S.R. 463(E) dated June 5, 2015.
5. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendments Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company has disclosed the impact of pending

litigations on its financial position in financial statement. - Refer Note 20.1 (b) ,(c) (d) ,and Note 35 (G) to the Financial Statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Board of Director's has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), incuding foreign entities („internediaries“)with the understanding whether recorded in writing or otherwise, that the Intermediary shall, whether , directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Board of Director's has represented, that to the best of its knowledge and belief, other than as disclosed in the notes to the acounts, no funds have been received by the company from any person(s) or entity(ies) including foreign entities (Funding Parties) with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures we have consideerd reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (a) and (b) contain any material mis-statement;

v. The company has neither declared nor paid any dividend during the year.

vi. As proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 is applicable for the company w.e.f. April 1, 2023, reporting under this is not applicable.

vii. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility (except in softwares for inventory and HR); however the same has not been operated throughout the year. The function of audit trails had been enabled w.e.f. 31st March 2024 in the accounting software. The audit trail had not been implemented in the inventory and HR software. Further the audit trail does not contain the detail of user who had made the entry. Since the audit trail had not been maintained throughout the year therefore we cannnot comment whether the audit trail feature is being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place : Jaipur
Dated : 06/09/2024

For Y CHATURVEDI AND CO
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA GOVIND PRASAD SHARMA)
Partner
M.No. 071893
UDIN : UDIN : 24071893BKEREZ2773

ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF RAJASTHAN ELECTRONICS AND INSTRUMENTS LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(Referred to in Paragraph 1 of "Report on Other Legal and Regulatory requirements" section of our Audit Report)

As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we report that:

(i) In respect of Property, Plant and Equipment:

(a) A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of available information.

B) The Company has generally maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management during the year at reasonable interval and no material discrepancies were identified on such physical verification.

(c) According to the information and explanations given by the management and on the basis of our examination of the copy of the title deeds, the immovable properties disclosed in the financial statements are held in the name of the Company. Although the original title deeds are said to be lying with bank against loan taken by the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment and Intangible Assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company as provided to us, there are no proceedings initiated during the year or pending against the Company as on March 31, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and rules made thereunder.

(ii) In respect of its inventories:

(a) According to information and explanation given to us and on the basis of our examination of the records of the company the inventory has been physically verified by the management at reasonable intervals during the year. No discrepancy of 10% or more in the aggregate of each class of inventory were noticed.

(b) According to information and explanation given to us and on the basis of our examination of the records of the company, the company has been sanctioned working capital limit amounting Rs 25 Crore from bank during the year on the basis of primary security of current assets. Necessary quarterly returns or statements have been filed by the company with such bank during the year.

(iii) In respect of loans:

According to the information and explanations given to us and on the basis of our examination of the records of the Company the company has not made Investments in and granted advances in the nature of loans during the year to other parties. The company has not provided any guarantees or securities, granted loans and advances in the nature of loans during the year to companies, firms or limited liability partnerships and other parties , details of which are stated below

a) A) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has not provided any loans or advances in the nature of loans or has not provided any guarantee or security to subsidiaries and joint ventures during the year.

B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the company has not granted advances in the nature of loans to any other parties or employees during the year. The company has not provided any guarantee or security to other parties during the year.

b) The company has not made investments, grant advances or loans and give guarantee in respect thereof provisions of clause (iii) (b), (c) (d) (e) and (f) of the Order are not applicable to the Company and hence not commented upon.

(iv) According to the information and explanations given to us, in respect of loans, investments, guarantees and securities, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in all material aspects.

(v) According to the audit evidences obtained and information and explanations given to us, the Company has received advances from customers amounting to Rs. 111268865/ - which are outstanding for more than 365 days. Such advances are deemed as deposits in terms of Section 73 of The Companies Act, 2013 and rule 2(1)(c) of The Companies (Acceptance of Deposits) Rules, 2014.

(vi) In respect of cost records:

We have been informed that the books of account maintained by the Company are pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of The Companies Act, 2013, related to manufacture of electrical goods and electrical machinery and are of the opinion that prima facie, the prescribed cost records have been maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete. We are reporting based on the information provided to us and the report issued by the Cost Auditor for the previous year.

(vii) In respect of statutory dues:

a. The Company is generally regular in depositing with the undisputed statutory dues, including Provident Fund, Employees State Insurance, Service Tax, Income-tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues, as recorded in Books of Account, applicable to the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the year end for a period more than six months from the date they became payable except as follows:

1) Custom duty payable against export obligation amounting Rs 49.86 lakhs. It had been explained that no demand had been issued by any authority in this regard.

b. According to the information and explanations given to us, there are no dues of Income Tax, Service Tax, Excise Duty, Value Added Tax, Custom Duty and Goods and Service Tax which have not been deposited on account of any dispute except the following:

Name of Act	Nature of the dues	Disputed amount (₹ in Lakh)	Period to which amount relates	Forum where dispute is pending
Central Excise Act	Service Tax	3.82	F.Y. 2009-10 (Vide order dt.24.07.12)	CESTAT (Custom Excise & Service Tax Appellate Tribunal
CGST Act	GST	238.45	F.Y. 2019-20	The Appeal had been rejected by Commissioner (Appeal). The company had taken stay from Rajasthan High Court against recovery of demand. Further the Appeal would be filed with Tribunal when the tribunal would be constituted.
CGST Act	GST	2.32	F.Y. 2018-19	Appeal filed with Addl. Commissioner (Appeal) CGST

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as Income in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as Income during the year.

(ix) In respect of repayment of dues:

a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of dues to any lender.

b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not taken any term loan. Therefore clause (ix) © is not applicable to the company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the company, no funds raised on short term basis have been used for long-term purpose of the company.

e) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates and joint ventures.

f) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

(x) a) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under paragraph 3(x)(a) of the order is not applicable to the company.

b) During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(x)(b) of the order is not applicable to the company.

(xi) a) To the best of our knowledge and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under Rule 13 of the Companies(Audit and Auditors) Rules 2014 with the central government.

c) According to the information and explanations given to us and on the basis of our examination of the records of the company, no cases were received by the company under Whistle Blower Policy of the Company.

(xii) In respect of Nidhi Company:

The Company is not a Nidhi Company. Therefore, this clause is not applicable to the Company.

(xiii) In respect of Related Parties:

All transactions with the related parties are in compliance with section 188 and 177 of The Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by applicable accounting standards.

(xiv)a) Based on information and explanations provided to us and based on our audit procedures, the company has an Internal Audit System but it does not commensurate with its size and nature of business and needs to be strengthened.

b) We have been provided and have considered the internal audit reports of the Company for the year 2023-24.

(xv) In respect of Non-cash transactions with directors:

According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of The Companies Act, 2013 is not applicable to the Company.

(xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore clause (xvi)(a),(b),(c) and (d) of paragraph 3 of the order is not applicable to the company.

(xvii) The cash profit in current financial year is Rs. 507.18 lakhs and cash loss in preceeding financial year was Rs. 1477.28 lakh. The Company earned cash profit of Rs. 507.18 lakh during the year (subject to our qualified opinion) while it incurred cash loss of Rs. 1477.28 lakh in preceeding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial rations, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the relevant evidence, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The company does not meet the criteria of Section 135 with regard to Corporate Social Responsibility (CSR) hence clause (xx)(a) and (b) is not applicable to the company.

(xxi) According to the information and explanations given to us there is no any qualification or adverse remarks by the respective auditor in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

Place : Jaipur
Dated : 06/09/2024

For Y CHATURVEDI AND CO
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA GOVIND PRASAD SHARMA)
Partner
M.No. 071893
UDIN : 24071893BKEREZ2773

ANNEXURE- 2 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013, indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Rajasthan Electronics & Instruments Limited for the year ended 31st March, 2024:-

S. No.	Directions	Action Taken	Impact on IND AS Financial Statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed/ carried outside the IT system except that the accounting software and Inventory Software are non integrated. However, there are no implications on the integrity of the accounts.	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for ? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/interest etc. made by the lender to the company due to the company's inability to repay the loan.	NIL
3	Whether funds (grants/subsidy etc) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out, it was observed that the Company has accounted for /utilized the funds as per terms and conditions laid down by authority except as referred to in Qualification no. (a) of Basis of Qualified Opinion mentioned in Main Audit Report.	As per Main Audit Report.

Place : Jaipur
Dated : 06/09/2024

For Y CHATURVEDI AND CO
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA GOVIND PRASAD SHARMA)
Partner
M.No. 071893
UDIN : 24071893BKEREZ2773

ANNEXURE- 3 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of RAJASTHAN ELECTRONICS AND INSTRUMENTS LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2024:

(a) **Keeping in view the size, nature and complexities of the business, the company's internal audit system needs to be strengthned along with periodic review of financial statements of the company**

(b) **The Company do not have an appropriate internal control systems in respect of movement of goods which shows that there is lack of internal control over issue and receipt of materal and for obtaining external confirmation from Trade Receivables and Trade Payables on periodic basis. During the year the company had issued account statement to Trade Receivables and Trade Payable however it had not been confirmed by them. Hence, we are unable to comment on the operating effectiveness of this system.**

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2024.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2024 Financial Statements of the Company, and these material weaknesses do not affect our opinion on the Financial Statements of the Company.

Place : Jaipur
Dated : 06/09/2024

For Y CHATURVEDI AND CO
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA GOVIND PRASAD SHARMA)
Partner
M.No. 071893
UDIN : 24071893BKEREZ2773

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of Rajasthan Electronics & Instruments Limited for the year ended 31st March 2024 in accordance with the Directions/Sub-Directions issued by the Comptroller & Auditor General (C&AG) of India under section 143(5) of The Companies Act,2013 and certify that we have complied with all the Directions/Sub-Directions issued to us.

Place : Jaipur
Dated : 06/09/2024

For Y CHATURVEDI AND CO
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA GOVIND PRASAD SHARMA)
Partner
M.No. 071893
UDIN : 24071893BKEREZ2773

BALANCE SHEET
AS AT 31st MARCH 2024

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
I. Non-current Assets			
(a) Property, plant and equipment	4	2,706.00	2,880.43
(b) Capital work-in-progress	4	-	-
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible assets			
(i) Technical Know How	5	-	-
(f) Intangible Assets under development		-	-
(g) Biological Assets other than bearer Plants		-	-
(h) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	6	102.92	149.02
(iii) Loans		-	-
(iv) Other financial assets	9A	78.76	174.10
(v) Deffered Tax Asset (Net)	8	2,109.21	2,213.23
(vi) Other non-current assets		-	-
Total Non-current Assets		**4,996.89**	**5,416.78**
II. Current Assets			
(a) Inventories	10	1,913.05	2,074.80
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	7	15,180.16	16,515.03
(iii) Cash and cash equivalents	11	1,118.02	1,358.61
(iv) Bank balances other than (iii) above	11A	307.58	196.52
(v) Loans			
(vi) Other financial assets	9B	113.64	211.20
(c) Current tax assets	13	439.28	267.07
(d) Other current assets	12	724.00	319.19
Total Current Assets		**19,795.73**	**20,942.42**
Total Assets (I + II)		**24,792.62**	**26,359.20**
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital	14	1,225.00	1,225.00
(b) Other Equity	15	5,336.04	5,060.54
Total Equity		**6,561.04**	**6,285.54**
LIABILITIES			
II. Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Lease liabilities		-	-
(iii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	19A	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	19A	48.52	7.59
(b) Provisions	17A	292.22	284.74
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities	18A	258.95	264.33
Total Non-current Liabilities		**599.69**	**556.66**
III. Current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Lease liabilities		-	-
(iii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	19B	2,214.10	2,979.81
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	19B	12,161.79	11,993.06
(iv) Other financial liabilities	16	372.97	444.87
(b) Other current liabilities	18B	1,953.36	2,964.03
(c) Provisions	17B	929.67	1,135.23
Total Current Liabilities		**17,631.89**	**19,517.00**
IV. Total Liabilities (II + III)		**18,231.58**	**20,073.66**
Total Equity and Liabilities (I + IV)		**24,792.62**	**26,359.20**

See accompanying notes to the Financial Statements (1-36)

As per our separate report of even date

For and on behalf of the Board of Directors

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 06.09.2024
UDIN : 24071893BKEREZ2773

Sd/-
(Anju Goyal)
Director
DIN : 10558241

Sd/-
(Dr. P. N. Sharma)
Managing Director
DIN : 10729529

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31st MARCH 2024

(All amounts Rs.in Lakhs, unless otherwise stated)

	Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
I.	Revenue from Operations	21	18,588.00	12,018.53
II.	Other income	22	333.54	118.44
III.	**Total Income (I + II)**		**18,921.54**	**12,136.97**
IV.	**Expenses**			
	Cost of material consumed	23	10,199.78	6,173.41
	Purchase of stock in Trade		-	-
	Change in inventories of finished goods	24	88.87	184.36
	Employee benefits expense	25	3,256.61	3,343.46
	Finance costs	26	83.32	86.57
	Depreciation, Impairment and amortisation expenses	27	191.04	192.64
	Other expenses	28	4,665.04	3,826.45
	Total expenses		**18,484.66**	**13,806.89**
V.	**Profit / (Loss) before exceptional items and tax (III-IV)**		**436.88**	**(1,669.92)**
VI.	Add: Exceptional items		-	-
VII.	**Profit / (Loss) after exceptional items and before tax**		**436.88**	**(1,669.92)**
VIII.	**Less: Tax expense**	29		
	1. Current tax		-	-
	2. Provision Reversal		-	-
	3. Deferred tax		120.74	(663.86)
	Total Tax Expense		**120.74**	**(663.86)**
IX	**Profit / (Loss) for the period from continued operations (VII - VIII)**		**316.14**	**(1,006.06)**
X	**Profit /(loss) from discontinued operations**		-	-
XI	**Tax expenses of discontinued operations**		-	-
XII	**Profit / (loss) from Discontinued operations (after tax) (X-XI)**		-	-
XIII	**Profit /(loss) for the period (IX + XII)**		**316.14**	**(1,006.06)**
XIV	**Other Comprehensive Income**		-	-
	A (i) Items that will not be reclassified to profit or loss		-	-
	(a) Remeasurements of the defined benefit plans		(57.35)	(3.93)
	B (i) Income tax relating to items that will not be reclassified to profit or loss		16.71	1.14
	Total other comprehensive income (XIV=A(i)+B(i))		**(40.64)**	**(2.79)**
XV	**Total comprehensive income for the year (XIII+XIV)**		**275.50**	**(1,008.85)**
XVI	**Earnings per equity share**	30		
	(1) Basic (in Rs.)		2.58	(8.21)
	(2) Diluted (in Rs.)		2.58	(8.21)

See accompanying notes to the Financial Statements (1-36)

As per our separate report of even date

For and on behalf of the Board of Directors

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 06.09.2024
UDIN : 24071893BKEREZ2773

Sd/-
(Anju Goyal)
Director
DIN : 10558241

Sd/-
(Dr. P. N. Sharma)
Managing Director
DIN : 10729529

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2024

(All amounts Rs.in Lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A.	**Cash flows from operating activities**		
	Profit/(Loss) for the year	316.14	(1,006.06)
	Adjustments for:		
	Income tax expense recognised in profit or loss	120.74	(663.86)
	Allowances for bad debts	100.93	204.78
	Assets Written-off	0.11	-
	Finance costs recognised in profit or loss	83.32	86.57
	Interest income recognised in profit or loss	(106.45)	(98.13)
	Depreciation and amortisation	191.04	192.64
	Bad Debts / Subsidy receivable written-off	-	6.48
	Cash generated from operations before working capital changes	**705.83**	**(1,277.58)**
	Movements in working capital:		
	(Increase) / Decrease in trade receivables	1,280.04	(1,052.88)
	(Increase) / Decrease in other assets	(322.97)	125.78
	(Increase) / Decrease in inventories	161.75	50.39
	Increase / (Decrease) in trade payables	(556.05)	521.84
	Increase / (Decrease) in provisions	(255.43)	183.58
	Increase / (Decrease) in other payables	(1,087.95)	997.75
		(780.61)	**826.47**
	Cash generated from operations	(74.78)	(451.11)
	Income Taxes (Paid) / refund received	**(172.22)**	**256.60**
	Net cash generated by operating activities	**(247.00)**	**(194.51)**
B.	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(16.72)	(8.90)
	Proceeds from disposal of property, plant and equipment	-	-
	Interest Income	106.45	98.13
	Net cash (used in)/generated by investing activities	**89.73**	**89.23**
C.	**Cash flows from financing activities**		
	Finance cost paid	(83.32)	(86.57)
	Net (used in)/ generated in financing activities	**(83.32)**	**(86.57)**
	Net increase/ (decrease) in cash and cash equivalents	(240.59)	(191.85)
	Cash and cash equivalents at the beginning of the year*	1,358.61	1,550.46
	Cash and cash equivalents at the end of the year*	**1,118.02**	**1,358.61**

Reconciliation of Cash and Cash Equivalents

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash and cash equivalents as per Cash Flow Statement	1,118.02	1,358.61
Difference	-	-
Cash and cash equivalents as per Balance Sheet (Refer Note No. 11)	1,118.02	1,358.61

*Cash and cash equivalents include other bank balances as per Note 11

1 The above cash flow statement prepared under the "indirect method" as set out in the Ind AS 7 "Cash flow statement".
2 Figures for previous year have been regrouped wherever necessary for uniformity in presentation.
3 Brackets indicate cash outflow.
4 Cash & cash equivalents includes Rs. 0.14 Lakhs which is not available for use in normal business operations

See accompanying notes to the Financial Statements (1-36)

As per our separate report of even date

For and on behalf of the Board of Directors

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 06.09.2024
UDIN : 24071893BKEREZ2773

Sd/-
(Anju Goyal)
Director
DIN : 10558241

Sd/-
(Dr. P. N. Sharma)
Managing Director
DIN : 10729529

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

(All amounts Rs.in Lakhs, unless otherwise stated)

A. Equity share capital

1. Statement of changes in equity for the year ended March 31, 2024

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,225.00	-	-	-	1,225.00

2. Statement of changes in equity for the year ended March 31, 2023

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the Previous reporting period
1,225.00	-	-	-	1,225.00

See accompanying notes to the Financial Statements (1-36)

As per our separate report of even date

For and on behalf of the Board of Directors

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 06.09.2024
UDIN : 24071893BKEREZ2773

Sd/-
(Anju Goyal)
Director
DIN : 10558241

Sd/-
(Dr. P. N. Sharma)
Managing Director
DIN : 10729529

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

B. Other Equity

1. Statement of changes in other equity for the year ended March 31, 2024

(All amounts Rs.in Lakhs, unless otherwise stated)

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of cashflow Hedges	Revaluation Surplus	Exchange Diff. on translating the financial statements of a foreign Operation	Other items of Other Comprehensive Income	Money Received share against warrants	Total
			Capital Reserve	Securities Premium	Other Reserve (specify nature)	Retained Earnings								
					General Reserve							(Remeasurement of net defined benefit plan)		
(a) Balance at the beginning of the current reporting period		-	-	-	4,973.45	302.53	-	-	-	-	-	(215.44)	-	5,060.54
(b) Changes in accounting policy or prior period errors		-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Restated balance at the beginning of the current reporting period		-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Total Comprehensive Income for the current year		-	-	-	-	-	-	-	-	-	-	(40.64)	-	(40.64)
(e) Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Transfer to retained Earnings		-	-	-	300.00	(300.00)	-	-	-	-	-	-	-	-
(g) Any other change (to be specified)		-	-	-	-	316.14	-	-	-	-	-	-	-	316.14
(h) Balance at the Current Reporting Period		-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	**5,273.45**	**318.67**	-	-	-	-	-	**(256.08)**	-	**5,336.04**

See accompanying notes to the Financial Statements (1-36)

2. Statement of changes in other equity for the year ended March 31, 2023

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of cashflow Hedges	Revaluation Surplus	Exchange Diff. on translating the financial statements of a foreign Operation	Other items of Other Comprehensive Income	Money Received share against warrants	Total
			Capital Reserve	Securities Premium	Other Reserve (specify nature)	Retained Earnings								
					General Reserve							(Remeasurement of net defined benefit plan)		
(a) Balance at the beginning of the current reporting period		-	-	-	5,973.45	308.59	-	-	-	-	-	(212.65)	-	6,069.39
(b) Changes in accounting policy or prior period errors		-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Restated balance at the beginning of the current reporting period		-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Total Comprehensive Income for the current year		-	-	-	-	-	-	-	-	-	-	(2.79)	-	(2.79)
(e) Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Transfer to retained Earnings		-	-	-	(1,000.00)	1,000.00	-	-	-	-	-	-	-	-
(g) Any other change (to be specified)		-	-	-	-	(1,006.06)	-	-	-	-	-	-	-	(1,006.06)
(h) Balance at the Current Reporting Period		-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	**4,973.45**	**302.53**	-	-	-	-	-	**(215.44)**	-	**5,060.54**

See accompanying notes to the Financial Statements (1-36)

As per our separate report of even date

For and on behalf of the Board of Directors

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 06.09.2024
UDIN : 24071893BKEREZ2773

Sd/-
(Anju Goyal)
Director
DIN : 10558241

Sd/-
(Dr. P. N. Sharma)
Managing Director
DIN : 10729529

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

General Information & Significant Accounting Policies forming part of Financial Statements for the year ended March 31, 2024

1. General information :

Rajasthan Electronics & Instruments Limited, Jaipur (REIL) is incorporated and domiciled in India having registered office at 2, Kanakpura Industrial Area, Sirsi Road, Jaipur. The Company is a joint venture between the Government of India (51% shareholding) and Government of Rajasthan through RIICO with share holding of 49%.

The Company was incorporated on 12th June, 1981 and falls under the administrative control of Ministry of Heavy Industries, Government of India and is a Mini Ratna PSU. REIL is in the business of Electronic Milk Analyzers and Solar Energy Equipment with minor interest in Information Technology, Industrial Electronics and Electric Vehicle Charging Station.

2. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. The amendments so notified are not applicable to the Company during the period. Financial Statements have been prepared as per requirement of Schedule III of the Companies Act, 2013 and accordingly figures (amount) in financial statements have been taken as Rs. in Lakhs.

3. Significant accounting policies

The principal accounting policies are set out below:

3.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

3.2 Basis of preparation and presentation

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, amended from time to time.

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount :

i. Certain Financial Assets and Liabilities,

ii. Defined Benefit Plans – Plan Assets

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

Current and Non-Current Classification : The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is

i. Expected to be realized or intended to be sold or consumed in normal operating cycle;

ii. Held primarily for the purpose of trading;

iii. Expected to be realized within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle;

ii. It is held primarily for the purpose of trading;

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The principal accounting estimates used have been described under the relevant income/expense and /or asset/ liability item in these financial statements. The Management believes that the estimates used in the preparation of these Financial Statements are prudent and reasonable. Actual results could differ from these estimates.

3.4 Property, plant and equipment

Property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Freehold land is not depreciated. Leasehold land is amortized over the life of the lease.

Depreciation is recognized so as to write off the cost less their residual values over their useful lives as specified in the Schedule II of the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”

3.5 Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their expected useful lives.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The amortization period and the amortization method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has as intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead cost that are directly attributable to preparing the asset for its intended use

3.6 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its Property Plant and Equipment and intangible assets or group of Assets, called Cash Generating Unit (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset or CGU is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or whenever there is an indication that the asset may be impaired.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.7 Inventories

Inventories are valued at the lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is computed on a FIFO basis, Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Cost of inventories comprises of all cost of conversion and other cost incurred in bringing them to their respective present location and condition and valued on the basis of FIFO method.

The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

The inventory in which no transactions of purchases/ sales/consumption occurred during the financial year are classified as non-moving inventory whereas the inventories in which less than 20% transactions occurred are classified as slow moving inventory. These inventories are identified on the year end and accordingly written down to the twenty percent of its value. However, if realizable value is higher than the actual cost than, no impact is taken

3.8 Revenue Recognition

Company Recognises revenue from contracts with customers based on a five-step criteria as set out in Ind AS-115:-

(i) Identification of the contracts with a customer :- A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

(ii) Identification of the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

(iii) Determination of the transaction price : The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer excluding amounts collected on behalf of third parties.

(iv) Allocation of the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

(v) Recognition of revenue when or as the Company satisfies a performance obligation.

- According to Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized.
- The Company recognizes revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts ,service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
- Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.
- Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as Goods and Service Tax etc
- Revenue from services rendered is recognized based on agreements/ arrangements with the customers, over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period and the amount of revenue can be measured reliably.

Use of significant judgments in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / a service promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgment in determining

whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Interest Income

Interest Income from a Financial Assets is recognized using effective interest rate method.

3.9 Employee Benefits

- **Retirement benefit costs and termination benefits**

  Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

  For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

  Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments) and
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

- **Short-term and other long-term employee benefits**

  The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

  Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.10 Financial instruments

Financial Assets:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through profit and loss (FVTPL), its transaction cost is recognized in the Statement of Profit and Loss. In other cases, the transaction cost is adjusted to the Fair value of the Financial Asset.

Financial assets are subsequently classified as measured at:

- Amortized cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables and loans are initially recognized at fair value. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

The provision for doubtful debts @ 10% for outstanding of more than 3 years and upto 4 years, @ 20% for outstanding of more than 4 years and upto 5 years and @ 30% for outstanding of more than 5 years have been created.

Debt Instruments :

Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of

(i) The entity's business model for managing the financial assets and

(ii) The contractual cash flow characteristics of the financial asset.

(a) Measured at amortized cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any.

The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Measured at fair value through profit or loss:

A financial asset not classified as either amortized cost or FVOCI, is classified s FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Statement of Profit and Loss.

Derecognition of Financial Asset

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

- Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.
- For financial assets other than trade receivables, as per Ind AS 109, the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition.
- The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.
- For trade receivables Company applies 'simplified approach' (Refer Point No. 3.10 “Trade Receivables and Loans”) which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.
- The impairment losses and reversals are recognized in Statement of Profit and Loss.

Financial Liabilities :

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest rate method.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit and loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Derecognition of Financial Liability

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

3.11 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.12 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

3.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

3.14 Income Taxes

Income tax expense for the year comprises of current tax and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent it relates to an item which is recognized directly in Other Comprehensive Income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expense and penalty, if any, related to income tax is included in current tax expense.

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax base used in the computation of taxable profit.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax losses can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.15 Foreign Currency Transaction

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or Statement of Profit and Loss are also recognized in OCI or Statement of Profit and Loss, respectively).

3.16 Government Grant

The Government Grants (Grant in Aid) are accounted for in accordance with Ind-AS 20. The entity shall consider the conditions and obligations that have been, or must be, met when identifying the costs for which the benefit of the Grant is intended to compensate

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognized in Statement of profit and loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the Balance sheet and transferred to Statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

3.17 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as Lessee

Right-of-Use (ROU) assets are recognized at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognizes lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognized as expense in the periods in which they are incurred. Interest on lease liability is recognized using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also re-measured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such re-measurements is adjusted to the value of the ROU assets.

3.18 Earnings per Share

Basic earnings per share is computed by dividing the net profit after tax for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.19 Non-Current assets held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are neither depreciated nor amortized.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are presented separately in the Balance Sheet.

3.20 Dividend

Dividends paid (including income tax thereon) are recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

3.21 Cash & Bank Balances

Cash and Cash Equivalents in the Balance Sheet comprise cash at banks and on hand and Bank deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

3.22 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organized based on businesses which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

“Unallocated Corporate Expenses” include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole.

3.23 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.24 Prior Period Errors

Prior period errors include omissions and misstatements arising from a failure to use reliable information that was available or could have been obtained when financial statements for those periods were approved for issue.

Material prior period errors relating to the last comparative period will be shown by restating the comparative figures of Balance sheet and Statement of Profit and loss, wherever necessary. Thus, it will be disclosed in the comparative financial statements as if the error had not even occurred.

3.25 Event after reporting period

The 'events after the reporting period' are classified into two categories:

- **Adjusting Events:** Adjusting events are those that provide evidence of conditions that existed at the end of the reporting period; and
- Non Adjusting Events: Non-adjusting events are those that are indicative of conditions that arose after the reporting period

Amounts recognized in financial statements are adjusted to reflect adjusting events after the reporting period. Amounts recognized in financial statements are not adjusted to reflect non-adjusting events after the reporting period. If non-adjusting events after the reporting period are material, then such events are disclosed along with the nature of the event and an estimate of its financial effect.

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)
Note : 4 Tangible Assets

Current Year

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment						Carrying Amount	
	Balance as at April 1, 2023	Additions	Adjustments	Disposals	Balance at March 31, 2024	Balance as at April 1, 2023	Adjustm-ents	Deprecia-tion expense	Impairment	Disposals	Balance at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Property plant and equipment													
Vehicles	25.95	-	-	-	**25.95**	21.34	-	2.00	-	-	**23.34**	**2.61**	4.61
Road, Drains & water supply	26.34	-	-	-	**26.34**	25.02	-	-	-	-	**25.02**	**1.32**	1.32
Building	1,838.43	-	-	-	**1,838.43**	256.21	-	31.39	-	-	**287.60**	**1,550.83**	1,582.22
Furniture and fixtures	398.50	-	-	-	**398.50**	164.48	-	31.71	-	-	**196.19**	**202.31**	234.02
Office Equipment	135.70	-	-	-	**135.70**	65.33	-	9.25	-	-	**74.58**	**61.12**	70.37
Wind Power Project	580.00	-	-	-	**580.00**	551.00	-	-	-	-	**551.00**	**29.00**	29.00
Temporary Structure	26.13	-	-	-	**26.13**	26.13	-	-	-	-	**26.13**	**-**	-
Plant and Machinery-Imported	1,519.14	-	-	-	**1,519.14**	887.73	-	89.92	-	-	**977.65**	**541.49**	631.41
Plant and Machinery-Indigenous	495.50	-	-	-	**495.50**	302.80	-	19.02	-	-	**321.82**	**173.68**	192.70
Computer and Printers	217.67	16.72	2.28	-	**232.11**	190.51	(2.17)	6.46	-	-	**194.80**	**37.31**	27.16
Leasehold Premises													
Land	127.28	-	-	-	**127.28**	19.66	-	1.29	-	-	**20.95**	**106.33**	107.62
Subtotal	**5,390.64**	**16.72**	**2.28**	**-**	**5,405.08**	**2,510.21**	**(2.17)**	**191.04**	**-**	**-**	**2,699.08**	**2,706.00**	**2,880.43**
Capital work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**5,390.64**	**16.72**	**2.28**	**-**	**5,405.08**	**2,510.21**	**(2.17)**	**191.04**	**-**	**-**	**2,699.08**	**2,706.00**	**2,880.43**

4.1 Company is availing fund / non-fund based limits from Punjab National Bank, secured by way of Hypothecation of Raw Material, Stock in process, finished goods and book debts and further collateraly secured by first charge over fixed and movable Capital Assets of the Company.

4.2 The leasehold land includes 40000 Sq.Mtrs. area situated at Kanakpura Industrial Area, Sirsi Road, Jaipur and 2500 Sq.Mtrs. area situated at Mansarovar, Jaipur.

Previous Year

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment						Carrying Amount	
	Balance as at April 1, 2022	Additions	Adjustments	Disposals	Balance at March 31, 2023	Balance as at April 1, 2022	Adjustm-ents	Deprecia-tion expense	Impairment	Disposals	Balance at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Property plant and equipment													
Vehicles	25.95	-	-	-	**25.95**	18.44	-	2.91	-	-	**21.34**	**4.61**	7.51
Road, Drains & water supply	26.34	-	-	-	**26.34**	25.02	-	-	-	-	**25.02**	**1.32**	1.32
Building	1,838.43	-	-	-	**1,838.43**	224.82	-	31.39	-	-	**256.21**	**1,582.22**	1,613.61
Furniture and fixtures	174.80	-	(0.09)	-	**174.71**	130.83	0.09	33.74	-	-	**164.48**	**10.23**	43.97
Office Equipment	135.61	-	0.09	-	**135.70**	55.93	(0.09)	9.31	-	-	**65.33**	**70.37**	79.68
Wind Power Project	580.00	-	-	-	**580.00**	551.00	-	-	-	-	**551.00**	**29.00**	29.00
Temporary Structure	26.13	-	-	-	**26.13**	26.13	-	-	-	-	**26.13**	**-**	-
Plant and Machinery-Imported	1,519.14	-	-	-	**1,519.14**	797.85	-	89.88	-	-	**887.73**	**631.41**	721.29
Plant and Machinery-Indigenous	718.81	-	-	-	**718.81**	281.96	-	20.84	-	-	**302.80**	**416.01**	436.85
Computer and Printers	209.25	8.90	-	-	**218.15**	187.22	-	3.29	-	-	**190.51**	**27.64**	22.03
Leasehold Premises													
Land	127.28	-	-	-	**127.28**	18.37	-	1.29	-	-	**19.66**	**107.62**	108.91
Subtotal	**5,381.74**	**8.90**	**-**	**-**	**5,390.64**	**2,317.57**	**-**	**192.64**	**-**	**-**	**2,510.21**	**2,880.43**	**3,064.17**
Capital work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**5,381.74**	**8.90**	**-**	**-**	**5,390.64**	**2,317.57**	**-**	**192.64**	**-**	**-**	**2,510.21**	**2,880.43**	**3,064.17**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

Note : 5 Intangible Assets

(All amounts Rs.in Lakhs, unless otherwise stated)

Current Year

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment				Carrying Amount	
	Balance as at April 1, 2023	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance as at March 31, 2024	Balance as at April 1, 2023	Amortisation expense	Adjustments	Balance at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Technical Know-how	72.70	-	-	-	72.70	72.70	-	-	72.70	-	-
Subtotal (a)	**72.70**	**-**	**-**	**-**	**72.70**	**72.70**	**-**	**-**	**72.70**	**-**	**-**

Previous Year

(All amounts in ₹ , unless otherwise stated)

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment				Carrying Amount	
	Balance as at April 1, 2022	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance as at March 31, 2023	Balance as at April 1, 2022	Amortisation expense	Adjustments	Balance at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Technical Know-how	72.70	-	-	-	72.70	72.70	-	-	72.70	-	-
Subtotal (a)	**72.70**	**-**	**-**	**-**	**72.70**	**72.70**	**-**	**-**	**72.70**	**-**	**-**

6. Trade receivables - Non Current

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Unsecured, considered good	102.92	149.02
Total	**102.92**	**149.02**

7. Trade receivables - Current

Particulars	As at March 31, 2024	As at March 31, 2023
From Related Party		
(a) Unsecured, considered good	2,078.74	1,920.19
From Others		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	13,101.42	14,594.84
(c) Doubtful	2,529.74	2,428.81
Less : Allowance for doubtful debts	2,529.74	2,428.81
Total	**15,180.16**	**16,515.03**

7.1 The Company had sent letters to the customers for confirmation of the outstanding balance as at 31st March 2024, but the response of the same has not been received.

7.2 In FAME II scheme of Electric Vehicle Charging Station, Grant of Rs 8.15 crore was received for 680 EVCS to establish 222 nos of EVCSs. The Grant has been utilized to the extent of 70% of EVCS invoiced, further Rs 12.85 crore towards the remaining unadjusted amount of EVCS is receivable from Government of India.

The Memorandum of Agreement was terminated due to breach of the terms of the Agreements on the part of M/s Magenta Power Private Limited & M/s. Tecso Chargezone Pvt. Ltd. to fulfil their obligation of submitting the Performance Bank Guarantee. M/s Magenta Power Private Limited has filed S.B. Civil Arbitration Application no. 12/2023, 13/2023 and 14/2023 under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for seeking appointment of an arbitrator for resolution of the disputes. On 06.10.2023 Hon'ble High Court, Jaipur appointed a Sole Arbitrator to adjudicate the disputes between the parties. As per sole Arbitrator directions M/s Magenta Power Private Limited has handed over the material to the company. As final decision has not been pronounced by the arbitrator yet, therefore the adjustments of the same in the books of accounts has not been carried out.

8. Deferred Tax Asset (Net)

The following is the analysis of deferred tax Assets/(Liabilities) presented in the balance sheet:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	(368.42)	(448.52)
Deferred tax assets	2,477.63	2,661.75
Net	**2,109.21**	**2,213.23**

8.1 In assessing the reliability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.As per Management's estimate the company like in the current year will now have taxable future profits over the future years on which this asset may be used. The Company's ability to recover defered tax assets is assessed by management at the close of each financial year taking into account forecasts of future taxable results

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

Trade Receivables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	3,443.58	843.63	215.41	3,948.56	-	**8,451.18**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	7,487.40	**7,487.40**
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	1,771.32	**1,771.32**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	**-**
Total	3,443.58	843.63	215.41	3,948.56	9,258.72	**17,709.90**
Less : Provision for Doubtful Debts	-	-	-	-	2,529.74	**2,529.74**
Total Trade Receivables	**3,443.58**	**843.63**	**215.41**	**3,948.56**	**6,728.98**	**15,180.16**

Trade Receivables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	4,869.07	1,185.87	3,531.81	589.02	-	**10,175.77**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	6,923.62	**6,923.62**
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	1,844.45	**1,844.45**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	**-**
Total	4,869.07	1,185.87	3,531.81	589.02	8,768.07	**18,943.84**
Less : Provision for Doubtful Debts	-	-	-	-	2,428.81	**2,428.81**
Total Trade Receivables	**4,869.07**	**1,185.87**	**3,531.81**	**589.02**	**6,339.26**	**16,515.03**

Year ended March 31, 2024

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Property, plant and equipment	(346.29)	49.18	-	(297.11)
Fair Value of financial assets	9.20	(1.26)	-	7.94
Allowance for Doubtful Debts	707.27	29.00	-	736.27
Deferred revenue	(102.23)	30.92	-	(71.31)
Deferred expense	70.78	(27.66)	-	43.12
Provisions for Employee Benefit	589.96	(89.78)	16.71	516.89
Tax on losses (Carry Forward Losses)	1,284.54	(111.13)	-	1,173.41
Total	**2,213.23**	**(120.74)**	**16.71**	**2,109.21**

(All amounts Rs.in Lakhs, unless otherwise stated)

Year ended March 31, 2023

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Property, plant and equipment	(344.40)	(1.89)	-	(346.29)
Fair Value of financial assets	5.90	3.30	-	9.20
Allowance for Doubtful Debts	645.82	61.45	-	707.27
Deferred revenue	(100.82)	(1.41)	-	(102.23)
Deferred expense	78.95	(8.17)	-	70.78
Provisions for Employee Benefit	582.24	6.58	1.14	589.96
Tax on losses (Carry Forward Losses)	929.14	355.40	-	1,284.54
Deferred Grant	(248.60)	248.60	-	-
Total	**1,548.23**	**663.86**	**1.14**	**2,213.23**

9. Other financial assets

9A. Other financial assets - Non current

Particulars	As at March 31, 2024	As at March 31, 2023
From Related Party		
- Security Deposit	0.40	0.40
Others -	-	-
- Security Deposit	75.60	67.88
- Loans & Advances to employee	2.76	2.42
- Cash and bank balance not available for immediate use (See Note below)	-	103.40
Total	**78.76**	**174.10**

Note : Particulars of cash and bank balance not available for immediate use.

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Balances (Including interest accrued thereon) not available for immediate use being deposits pledged with bank as margin money.	224.64	228.84
Less : Amount reflected under Other Bank Balance [Note 11A]	224.64	125.44
Amount reflected under other financial assets - non-current [Note 9A]		**103.40**

9B. Other financial assets - Current

Particulars	As at March 31, 2024	As at March 31, 2023
- Security Deposits	6.24	6.24
- Loans to Staff	-	0.34
- Earnest Money	107.40	204.62
Total	**113.64**	**211.20**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

10. Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
Inventories		
Raw Materials, Stores & Spares	1,181.41	1,182.85
Raw Material in Production Department	540.10	615.07
Finished goods	182.17	271.04
Packing Material	9.37	5.84
Loose tools	-	-
Goods-in-transit	-	-
Stock-in-trade	-	-
Others	-	-
Total	**1,913.05**	**2,074.80**

10.1 The inventory includes Non Moving items of Rs 33.75 Lakhs written down by Rs 33.87 Lakhs (Previous Year slow moving of Rs 23.30 Lakhs written down by Rs 29.67 Lakhs, Non Moving of Rs 42.06 Lakhs written down by Rs 110.53 Lakhs.

10.2 The inventory also includes Rs 14 Lakhs on account of old batteries received against sales reversal written down by Rs 56 Lakhs.

11. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks (a+b+c)	1,116.99	1,356.44
PNB Savings Account (a)	0.14	13.69
Other Bank Balances (b)	104.95	711.28
Deposits with Bank (c)	1,011.90	631.47
Cash on hand	1.03	2.17
Cheques, drafts on hand	-	-
Cash and cash equivalents	**1,118.02**	**1,358.61**

Subsidy received from Ministry of Heavy Industries (MHI) under FAME II Scheme is kept in Saving Bank account and these funds are not available for Normal Business Operations.

11A. Other Bank Balances

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Deposits pledged with bank as margin money (maturity more than 3 months but less than 12 months)	224.64	125.44
FDR Issued as EMD	82.94	71.08
Total	**307.58**	**196.52**

Note : Company is availing fund / non-fund based limits from Punjab National Bank, secured by way of Hypothecation of Raw Material, Stock in process, finished goods and book debts and further collateraly secured by first charge over fixed and movable Capital Assets of the Company.

12. Other assets - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Advance against expenses to employees	1.12	1.58
Deposit against GST Appeal	23.84	23.84
Prepaid expenses	11.32	10.45
Other Advances	18.89	10.03
Advances to Vendors	10.34	12.83
GST Adjustable	571.05	210.48
GST on Advances Received	87.44	49.98
Total	**724.00**	**319.19**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

13. Current tax assets and liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax assets		
Benefit of tax losses to be carried back to recover taxes paid in prior periods	-	-
Advance Payment of taxes	457.68	285.47
	457.68	**285.47**
Current tax liabilities	-	-
Income tax payable	18.40	18.40
	18.40	**18.40**
Current tax Assets / (Liabilities)	**439.28**	**267.07**

14. Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
Equity share capital	1,225.00	1,225.00
Total	**1,225.00**	**1,225.00**

Authorised Share capital :		
1,50,00,000 equity shares of Rs. 10 each (as at March 31, 2024 : 1,50,00,000	1,500.00	1,500.00
Issued and subscribed capital comprises :		
1,22,50,000 fully paid equity shares of Rs. 10 each (as at March 31, 2024 : 1,22,50,000)	1,225.00	1,225.00
	1,225.00	**1,225.00**

14.1 Movement during the period

	For the year ended March 31, 2024		For the year ended March 31, 2023	
Particulars	**Number of shares**	**Share capital (Amount)**	**Number of shares**	**Share capital (Amount)**
Balance at the start of the period	1,22,50,000	1,225.00	1,22,50,000	1,225.00
Movements	-	-	-	-
Balance at the end of the period	1,22,50,000	1,225.00	1,22,50,000	1,225.00

Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends.

14.2 Details of shares held by each shareholder holding more than 5% shares.

	As at March 31, 2024		As at March 31, 2023	
Particulars	**Number of shares**	**% holding in the class of shares**	**Number of shares**	**% holding in the class of shares**
Equity shares :				
Government of India	62,47,500	51%	62,47,500	51%
RIICO, JAIPUR	60,02,500	49%	60,02,500	49%
Total	1,22,50,000	100%	1,22,50,000	100%

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

14.3 Details of shares held by the promoters.

Shares held by Promoter at the end of the year			% of Change during the year
Promoter Name	**No. of shares**	**% of total shares**	
Government of India	62,47,500	51%	-
RIICO, JAIPUR	60,02,500	49%	-

14.4 Details of shares For Preceding Five Years

Particulars	31/03/2023	31/03/2022	31/03/2021	31/03/2020	31/03/2019
Number of Equity Shares Allotted For Contracts without payment received in cash	-	-	-	-	-
Number of Equity Shares issue as Bonus Share	-	-	-	-	-
Number of Equity Shares Bought Back	-	-	-	-	-

15. Other Equity
Refer Statement of Changes in Equity for detailed movement in Equity balance.
Current Year

Particulars	General Reserves	Retained Earnings	Total
Balance as at March 31, 2023	4,973.45	87.09	5,060.54
Add: Profit/(Loss) for the year	-	316.14	316.14
Add: Other Comprehensive Income	-	(40.64)	(40.64)
Less: Transfer to Retained Earnings	300.00	-	300.00
Add: Transfer from General Reserves	-	(300.00)	(300.00)
Balance as at March 31, 2024	**5,273.45**	**62.59**	**5,336.04**

Previous Year

Particulars	General Reserves	Retained Earnings	Total
Balance as at March 31, 2022	5,973.45	95.94	6,069.39
Add: Profit/(Loss) for the year	-	(1,006.06)	(1,006.06)
Add: Other Comprehensive Income	-	(2.79)	(2.79)
Less: Transfer to Retained Earnings	(1,000.00)	-	(1,000.00)
Add: Transfer from General Reserves	-	1,000.00	1,000.00
Balance as at March 31, 2023	**4,973.45**	**87.09**	**5,060.54**

16. Other financial liabilities - Current

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Earnest Money	40.03	36.58
(b) Retention money	20.96	20.96
(c) Security Deposit	97.64	104.40
(d) Employee Benefits Payable	84.29	109.57
(e) Others	111.65	96.09
(f) Reimbursement to Staff against expenses	18.40	77.27
Total	**372.97**	**444.87**

17. Provisions

17A. Provisions - Non current

Particulars	As at March 31, 2024	As at March 31, 2023
Employee benefits	292.22	284.74
Total	**292.22**	**284.74**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

17B. Provisions - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Employee benefits	879.67	1,085.23
Provision for Warranty	50.00	50.00
Total	**929.67**	**1,135.23**

17.1 Provision for employee benefits includes provision for Gratuity, Leave Encashment, Half Pay Leave & liability for Post Retirement Medical Scheme. The above are recognised as per the report provided by actuary.

17.2 Warranty is provided for Goods as well as for services to customers. The Company provides provision for warranty expenses in accordance with IND AS 37.

18. Other liabilities

18A. Other non-current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
-Deferred Grant Related to asset	17.09	18.15
-Deferred Revenue	241.86	246.18
Total	**258.95**	**264.33**

18B. Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers		
From Related Parties	42.39	178.78
From Others	1,674.12	2,529.68
-Deferred Grant Related to income	12.87	12.87
-Deferred Grant Related to asset	1.07	1.07
-Interest payable under Consolidated Fund of India	0.13	13.69
-Deferred revenue	54.25	30.99
-Statutory dues	168.53	196.95
Total	**1,953.36**	**2,964.03**

18.1 Deferred Grant related to Income will be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

18.2 Deferred Grant related to Assets is recognised in profit or loss on a systematic basis over the useful life of the asset.

19A. Trade payables - Non Current

Particulars	As at March 31, 2024	As at March 31, 2023
From Related Parties	-	-
From Others		
-Total Outstanding dues of creditors of micro and small enterprises	-	-
-Total Outstanding dues of creditors other than micro and small enterprises	48.52	7.59
Total	**48.52**	**7.59**

19B. Trade payables - Current

Particulars	As at March 31, 2024	As at March 31, 2023
From Related Parties	-	-
From Others		
-Total Outstanding dues of creditors of micro and small enterprises	2,214.10	2,979.81
-Total Outstanding dues of creditors other than micro and small enterprises	12,161.79	11,993.06
Total	**14,375.89**	**14,972.87**

19.1 The above outstanding amount includes Rs 3229.89 Lakhs due to M/s Suntech Industries because of non fulfillment of contractual obligations The Party has already lost two cases in lower court in respect of Company's customers M/s Pradeshik Cooperative Dairy Federation(PCDF) Uttar Pradesh and M/s UPNEDA. In the case of PCDF on 29.09.2023 Hon'ble High Court, Jaipur appointed an arbitrator and to decide all issues arising for consideration in the proceeding of arbitration. In the case of UPNEDA, S.B. Civil arbitration application has been filed before Hon'ble High Court, Jaipur by M/s Suntech Industries. Vide order dated 17.11.2023 passed by the Hon'ble Rajasthan High Court Bench, Jaipur in S.B. Arbitration Application No. 133/2021, appointed Sole Arbitrator in the matter.

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

Trade Payables ageing schedule as on March 31, 2024

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) MSME	918.92	239.28	74.33	113.65	867.92	**2,214.10**
(ii) Others	2,532.00	294.74	249.21	2,124.88	3,628.06	**8,828.89**
(iii) Disputed Dues - MSME	-	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	-	-	3,332.90	**3.332.90**
Total	**3,450.92**	**534.02**	**323.54**	**2,238.53**	**7,828.88**	**14,375.89**

Trade Payables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) MSME	1,514.49	103.35	237.67	112.04	1,012.26	**2,979.81**
(ii) Others	2,585.22	332.81	1,949.87	1,486.67	1,795.92	**8,150.49**
(iii) Disputed Dues - MSME	-	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	6.25	-	3,836.32	**3,842.57**
Total	**4,099.71**	**436.16**	**2,193.79**	**1,598.71**	**6,644.50**	**14,972.87**

20 Contingent liabilities, Contingent assets and Commitments

20.1 Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Guarantees given by bankers on behalf of the company.	1,197.36	3,693.08
(b) Claims against the company not acknowledges as debts.	8,017.94	4,047.43
(c) GST show cause notice-pending with GST Appelette Tribunal (Stay against demand taken from High Court)	238.46	238.46
(d) Service Tax Show cause notices/Demand raised by Excise & Service Tax Department (2009-10)	3.82	3.82

20.1.1:- 20.1.1 Claims against the company not acknowledge as debts include claim by M/s Suntech Industries, M/s Uttam Prakash, M/s Magenta Power Pvt Ltd., M/s KBS Certification services Pvt Ltd. and Ex-Employees of the Company for which litigation is pending in court of law.

20.1.2:- Contingent Liabilities are recognised when a possible obligation arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, One of the MSME Vendors, M/s Gansum Global Solutions India Private Limited having outstanding amount of Rs. 14.75 Lakhs has claimed interest as per MSMED Act, 2006 and filed an application before Hon'ble High Court of Andhra Pradesh at Amaravati. On 26.12.2022 The Hon'ble High Court passed the order directed to the petitioner to prefer an appeal under sec 34 of the Arbitration Act at Arbitration court at Jaipur. Now the matter is pending before Commercial Court, Jaipur. As per the management, reliable estimates of the interest obligation cannot be made, Hence, the same has not been disclosed as Contingent Liability.

20.1.3:- 20.1.3:-M/s KBS Certification Services Pvt. Ltd has filed S.B. Arbitration Application under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for appointment of sole arbitrator in the matter. Hon'ble High Court vide its order dated 09.02.2024 has appointed sole arbitrator in S.B. Arbitration Application No. 31/2023.

20.2 Contingent assets

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance Claims lodged but not approved/settled	-	4.64
Total	**-**	**4.64**

20.3 Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Commitments		
Estimated amount of contracts remaining to be executed and not provided for including service and maintenance contracts.	6,197.17	14,624.36
Total	**6,197.17**	**14,624.36**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

21. Revenue from operations

The following is details of the Company's revenue for the period from continuing operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sales		
Export	6,554.88	304.95
Domestic	8,962.57	8,155.71
(b) Sale of Services	-	-
Services Maintenance and installation Charges	3,060.61	3,536.65
(c) Other operating revenues		
Grant in aid	-	12.87
Insurance Receipts	5.77	4.86
Carriage Receipts	4.17	3.49
Total	**18,588.00**	**12,018.53**

21.1 Grant in aid includes grant related to income amounting to Rs Nil in current year (previous year Rs 12.87 Lakhs) in which is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.
21.2 Revenue disaggregation as has been included in segment information (Refer note 34).
21.3 The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs. 296.11 Lakhs of which 18.32% is expected to be recognised next year.No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in Deferred Revenue for the year ended March 31, 2024 are as follows :

Balances at the beginning of the year	**277.17**
Revenue recognised during the year	(170.50)
Addition during the year	189.44
Balance at the end of the year	**296.11**

22. Other Income

a) Interest Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Bank Deposits	53.58	25.24
Others	52.87	72.89
Total (a)	**106.45**	**98.13**

b) Other Non-Operating Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amortisation of Government Grant*	1.07	1.07
Foreign Exchange Fluctuation (net)	71.23	0.00
Others (aggregate of immaterial items)	34.53	19.24
Duty Drawback on Exports	120.26	-
Total (b)	**227.09**	**20.31**
Total (a+b)	**333.54**	**118.44**

*Amortisation of Grant of Rs. 1.06 Lakhs (Rs. 1.06 Lakhs in Previous Year) is amortisation of grant related to assets which is recognised in profit or loss on a systematic basis over the useful life of the asset.

23. Cost of material consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cost of material Consumed		
Opening stock	1,803.76	1,669.79
Add: Purchase of raw material	10,126.90	6,307.38
	11,930.66	**7,977.17**
Less: Closing stock	1,730.88	1,803.76
Total	**10,199.78**	**6,173.41**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

23A. Details of material consumed

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Details of Raw Materials consumed		
Solar Energy Equipments		
-Solar Cells	230.72	197.79
-Others	6,276.46	2,221.29
Electronic Milk Analysers	3,659.68	3,724.06
Consumables & packing materials	32.92	30.27
Total	**10,199.78**	**6,173.41**
(b) Value of Imported and indigenous material consumed		
Imported	381.04	458.84
Indigenous	9,818.74	5,714.57
Total	**10,199.78**	**6,173.41**

24. Change in inventories of finished goods

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Increase (-) / Decrease (+) in Stock		
Opening Stock		
Finished goods	271.04	455.40
	271.04	455.40
Less: Closing stock		
Finished goods	182.17	271.04
	182.17	271.04
Change in inventories of Finished goods	88.87	184.36
Total	**88.87**	**184.36**

25. Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and Wages	2,883.06	2,935.91
Contribution to provident and other funds	293.26	338.98
Staff Welfare Expenses	41.56	39.26
Provision for Medical expenses	38.73	29.31
Total	**3,256.61**	**3,343.46**

26. Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest costs	0.96	11.96
Bank Charges	52.29	27.91
Bank Guarantee Commission	30.07	46.70
Total	**83.32**	**86.57**

27. Depreciation, impairment and amortisation expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment pertaining to continuing operations	191.04	192.64
Impairment loss of Property, Plant and Equipments	-	-
Less : Depreciation of earlier year written off	-	-
Amortisation of intangible assets	-	-
Total depreciation, impairment and amortisation pertaining to continuing operations	**191.04**	**192.64**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

28. Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other Expenses		
Power & fuel	40.62	37.77
Repair & Maintenance		
- Plant & machinery	5.30	7.07
- Building	5.65	9.56
- Others	4.72	4.84
Testing & other expenses	32.33	3.26
Component & prototype for R&D	4.51	5.48
Rent	14.75	17.00
Rates & taxes	16.50	18.36
Printing & stationery	11.75	11.54
Travelling & conveyance	92.77	134.07
Postage & communication expenses	16.43	16.82
Legal & professional fee	55.31	18.74
Security, cleaning & other expenses	77.71	74.45
Payment to Auditors	2.62	3.09
Insurance charges	7.78	5.76
Allowances for Doubtful Debts	100.93	204.78
Advertising & business promotion	16.77	21.58
Forwarding expenses	438.09	91.12
Warranty Obligation	59.05	59.88
Royalty, Discount & commission	189.39	137.12
Service, maintenance & installation charges	3,415.40	2,878.72
Foreign exchange fluctutation (net)	-	16.79
Miscellaneous expenses	56.55	42.17
Bad debts / Subsidy receivable written-off	-	6.48
Loss on Written off of assets	0.11	-
Total	**4,665.04**	**3,826.45**

28.1 Details of payment to Auditors

Payments to Auditors	Year ended March 31, 2024	Year ended March 31, 2023
(a) Statutory audit fee	1.25	1.25
(b) Tax audit fee	0.70	0.60
(c) Certification work	0.42	0.99
(d) Out of pocket expenses	0.25	0.25
Total	**2.62**	**3.09**

28.2 Miscellaneous expenses includes Director's Sitting fees of Rs.0.60 Lakh (Previous year Rs. 1.40 Lakh) and Board Meeting expenses of Rs. 0.07 Lakh (Previous year Rs. 0.09 Lakh)

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

29. Income taxes relating to continuing operations

29.1 Income tax recognised in profit or loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
In respect of the current period	-	-
Adjustment of tax relating to earlier year	-	-
	-	-
Provision Reversal		
In respect of the Previous period	-	-
	-	-
Deferred tax		
In respect of the current period	(120.74)	(663.86)
Adjustment of tax relating to earlier year	-	-
	(120.74)	**(663.86)**
Total income tax expense recognised in the current period relating to continuing operations	**(120.74)**	**(663.86)**

29.2 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred Tax		
Re-measurement of defined benefit obligation	16.71	1.14
Total	**16.71**	**1.14**
Bifurcation of the income tax recognised in other items that will not be reclassified to profit or loss	16.71	1.14

30. Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. per share	**Rs. per share**
From Continuing operations		
Profit / (Loss) after tax	316.14	(1,006.06)
Weighted average number of equity shares for calculation of basic EPS	122.50	122.50
Basic earnings per share (one equity share of Rs. 10/- each) (in Rs.)	**2.58**	**(8.21)**
Weighted average number of equity shares for calculation of diluted EPS	122.50	122.50
Diluted earnings per share (one equity share of Rs. 10/- each) (in Rs.)	**2.58**	**(8.21)**
From Continuing operations	**Rs. per share**	**Rs. per share**
Basic earnings per share (in Rs.)	2.58	(8.21)
Diluted earnings per share (in Rs.)	2.58	(8.21)

30.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit / (Loss) for the period attributable to owners of the Company (A)	316.14	(1006.06)
Weighted average number of equity shares for the purposes of basic earnings per share (B)	122.50	122.50
Basic Earnings per share (A/B)	**2.58**	**(8.21)**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

30.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows.

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Earnings used in the calculation of basic earnings per share	316.14	(1,006.06)
Earnings used in the calculation of diluted earnings per share (A)	316.14	(1,006.06)
Weighted average number of equity shares used in the calculation of basic earnings per share	122.50	122.50
Weighted average number of equity shares used in the calculation of diluted earnings per share (B)	122.50	122.50
Diluted earnings per share (A/B) (in Rs.)	**2.58**	**(8.21)**

31. Employee benefit plans

31.1 Defined contribution plans

The Company contributes to defined contribution retirement benefit plans for all qualifying employees of its Company maintained at Employee Provident Fund Office, Govt. of India.

The total expense recognised in profit or loss account of Rs. 221.88 Lakhs (Previous Year Rs. 224.17 Lakhs).

31.2 Defined benefit plans

The employee gratuity fund scheme is managed by a policy, administered by Life Insurance Corporation of India through approved gratuity trust fund. The present value of obligation is determined based on Acturial Valuation using the Projected Unit Credit Method to assess the plan''s liabilities including those related to retirement, resignation and death-in-service benefits.

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Since investment is with insurance company (LIC) , assets are considered to be secured
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation as at	
	As at March 31, 2024	As at March 31, 2023
Discount rate (s)	7.20%	7.44%
Rate (s) of salary increase	6.00%	6.00%
Rate of Employee Turnover	3.00%	3.00%
Expected Return on Plan Assets	7.20%	7.44%
Mortality rates* (During Employment)	Indian Assured Lives Mortality (2012-14) (urban)	Indian Assured Lives Mortality (2012-14) (urban)

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	(1,486.46)	(1,479.35)
Fair value of plan assets	655.62	783.02
Funded status	(830.84)	(696.33)
Restrictions on asset recognised		
Net liability arising from defined benefit obligation	**(830.84)**	**(696.33)**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

Net Interest Cost for Current Period are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of Benefit Obligation at the Period	1,479.35	1,674.27
Fair value of plan assets at the Beginning of the Period	(783.02)	(1,062.47)
Net Liability/(Assets) at the Beginning	**696.33**	**611.80**
Interest Cost	110.06	116.86
(Interest Income)	(58.26)	(74.16)
Net Interest Cost for Current Period	**51.80**	**42.70**

Expenses Recognized in the Statement of Profit or Loss for Current Period are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Current Service Cost	31.43	37.90
Net Interest Cost	51.80	42.70
Past Service Cost	-	-
Expenses Recognized	**83.23**	**80.60**

Expenses Recognized in the Other Comprehensive Income (OCI)/for Current Period are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Actuarial (Gains)/Losses on Obligation For the Period	51.33	(6.67)
Return on Plan Assets, Excluding Interest Income	6.02	10.60
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	**57.35**	**3.93**

Movements in the present value of the defined benefit obligation are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	1,479.35	1,674.27
Interest cost	110.06	116.86
Current service cost	31.43	37.90
Past Service Cost	-	-
Remeasurement (gains)/losses :	-	-
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	16.39	(33.49)
Actuarial gains and losses arising from experience adjustments	34.95	26.82
Benefits paid from the Fund	(185.72)	(343.01)
Closing defined benefit obligation	**1,486.46**	**1,479.35**

Movements in the fair value of the plan assets are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	783.02	1,062.47
Interest income	58.26	74.16
Return on plan assets (excluding amounts included in net interest expense)	(6.02)	(10.60)
Contributions from the employer	6.08	-
Benefits paid from the Fund	(185.72)	(343.01)
Closing fair value of plan assets	**655.62**	**783.02**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

Balance Sheet Reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Net Liability	696.33	611.80
Expenses Recognized in Statement of Profit or Loss	83.23	80.60
Expenses Recognized in OCI	57.36	3.93
Net Liability/(Asset) Tranfer In	-	-
Net Liability/(Asset) Transfer Out	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
(Benefit Paid Directly by the Employer)	(6.08)	-
Net Liability/(Asset) Recognized in the Balance Sheet	**830.84**	**696.33**

Category of Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance Fund	655.62	783.02
Net Liability/(Asset) Recognized in the Balance Sheet	**655.62**	**783.02**

Other Details

Particulars	As at March 31, 2024	As at March 31, 2023
No. of Active Members	197	208
Per Month Salary For Active Members	152.56	151.91
Weighted Average Duration of the Projected Benefit Obligation	-	6
Average Expected Future Service	-	10
Projected Benefit Obligation (PBO)	1,486.46	1,479.35
Prescribed Contribution for Next Year (12 Months)	152.56	151.91

Net Interest Cost for Next Year are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of Benefit Obligation at the End of the Period	1,486.46	1,479.36
Fair value of plan assets at the End of the Period	(655.62)	(783.02)
Net Liability/(Assets) at the End of the Period	830.84	696.33
Interest cost	107.03	110.06
(Interest Income)	(47.21)	(58.26)
Net Interest Cost for Next Period	59.82	51.80

Expenses Recognized in the Statement of Profit or Loss for Next Period are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Current Service Cost	31.37	31.43
Net Interest Cost	59.82	51.81
Expenses Recognized	**91.19**	**83.24**

Maturity Analysis of Projected Benefit Obligation : From the Fund

Particulars	As at March 31, 2024	As at March 31, 2023
Projected Benefits Payable in Future Years from the Date of Reporting		
1st Following Year	253.40	198.17
2nd Following Year	205.42	185.62
3rd Following Year	199.19	248.59
4th Following Year	215.96	188.78
5th Following Year	137.03	202.57
Sum of Years 6 to 10	557.44	582.67
Sum of Years 11 and above	731.85	747.38

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

Sensitivity Analysis

Particulars	As at March 31, 2024	As at March 31, 2023
Projected Benefits Obligation on Current Assumptions	1,486.46	1,479.35
Delta Effect of +1% Change in Rate of Discounting	(65.55)	(62.28)
Delta Effect of -1% Change in Rate of Discounting	73.25	75.05
Delta Effect of +1% Change in Rate of Salary Increase	38.91	39.31
Delta Effect of -1% Change in Rate of Salary Increase	(38.17)	(39.59)
Delta Effect of +1% Change in Rate of Employee Turnover	13.88	14.66
Delta Effect of -1% Change in Rate of Employee Increase	(15.30)	(16.12)

32. Financial Instruments

32.1 Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

32.2 Categories of financial instruments and Fair Values

A.) The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets	**16,593.50**	**16,593.50**	**18,407.96**	**18,407.96**
Financial assets at amortised cost :				
Non Current				
Trade receivables	102.92	102.92	149.02	149.02
Other Financial Assets	78.76	78.76	174.10	174.10
Current				
Trade receivables	15,180.16	15,180.16	16,515.03	16,515.03
Cash and cash equivalents	1,118.02	1,118.02	1,358.61	1,358.61
Other financial assets	113.64	113.64	211.20	211.20
Financial liabilities				
Financial liabilities held at amortised cost :	**14,797.38**	**14,797.38**	**15,425.33**	**15,425.33**
Non Current				
Trade Payables	48.52	48.52	7.59	7.59
Borrowings	-	-	-	-
Current				
Trade Payables	14,375.89	14,375.89	14,972.87	14,972.87
Others financial liabilities	372.97	372.97	444.87	444.87

The Company has disclosed financial instruments such as cash and cash equivalents, current trade receivables, current trade payables and other current financial assets/liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

(All amounts Rs.in Lakhs, unless otherwise stated)

B.) FAIR VALUE HIERARCHY

Except for cash and cash equivalents, current trade receivables, current trade payables and other current financial assets/liabilities disclosed at carrying value, all other financial assets /liabilities are fair valued using level 3 hierarchy.

The fair values of the financial assets and financial liabilities included in the level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

32.3 Financial risk management objectives

The Company’s business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company’s senior management has the overall responsibility for establishing and governing the Company’s risk management framework. Risk Management framework is constantly updated for new and emerging risks emanating from business expansion and interests. Risk Management framework of the company encompasses practices relating to identification, assessment, monitoring and mitigation of various risks to key business objective. Risk management practices of the company seek to sustain and enhance the long-term competitive advantage of the company. Core values and ethics of the company provide the platform for its risk management practices. This system provides a holistic view of the business, wherein risks are identified in a structured manner.

Risk Management aims to ensure timely and prudent decisions to:

- Maximise positive impacts of opportunities.
- Minimise negative impacts of risks.
- Convert risks into opportunities.

A.) Market risk management

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see note **A(i)** below) and interest rates (see note **A(ii)** below).

There has been no change to the company's exposure to market risks or the manner in which these risks are managed and measured.

A.)(i) Foreign currency risk management

The Company is subject to the risk that changes in foreign currency values impact the Company’s exports revenue and imports of raw material and property, plant and equipment.

The Company is exposed to foreign exchange risk arising from various currency exposures like US Dollar and Euro.

As at 31st March, 2024, the foreign currency exposure to the Company on holding financial liabilities (trade payables) amounted to Rs. 58 Lakhs (March 31, 2023: Rs. 186.61 Lakhs) and financial assets (trade receivables) amounted to NIL (March 31, 2023: Rs. 258 Lakhs).

A.)(i)(a) Foreign currency sensitivity analysis

A 5% strengthening of the INR against key currencies to which the Company is exposed would have led to approximately an additional Rs. 327 Lakhs gain in the Statement of Profit and Loss (2022-23: Rs. 8.30. Lakhs gain). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

A.)(ii) Interest rate risk management

There is no outstanding Credit balance of Cash Credit/Overdraft. Thus the Company has no exposure to changes in interest rates.

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

B.) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties. The company mostly transacts with government entities reducing the risk of default on contractual obligations. The company's exposure is continuously monitored.

The credit limits are fixed in respect of individual customers that are approved by Head of Marketing Department . These limits are checked before orders are accepted from the customers. Also there is a system of periodic review of credit limits.

The Company's maximum exposure to credit risk as at 31st March, 2024 & 31st March, 2023 is the carrying value of each class of financial assets.

The company is making provisions on trade receivables based on Simplified Approach of Expected Credit Loss (ECL) model. The Company had followed the practice of creating the provision for doubtful debts @10% for outstanding of more than 3 years and upto 4 years, @ 20% for outstanding of more than 4 years and upto 5 years and @30% for outstanding of more than 5 years thereby totaling to Rs. 100.93 Lakhs. The above principle is based on the assumptions of prudence; consistency in recovery of debtors as per past trends where recovery has been delayed but debts has always remained good.

Particulars	2023-24	2022-23
Opening Balance	**2,428.81**	**2,224.03**
Changes in loss allowance :		
Additional Provision	100.93	204.78
Closing Balance	**2,529.74**	**2,428.81**

C.) Liquidity risk management

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through fund based limit in Bank Accounts.

The following table shows the maturity analysis of the Company's financial liabilities based on estimated flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying Amount	Payable within 1 year	1-2 years	More than 2 years	Total
As at March 31, 2024					
Trade Payables*	14,424.41	3,984.94	372.06	10,067.41	14,424,41
Other financial Liabilities	372.97	372.97	-	-	372.97
Total	**14,797.38**	**4,357.91**	**372.06**	**10,067.41**	**14,797.38**
As at March 31, 2023					
Trade Payables*	14,980.46	4,535.87	2,201.38	8,243.21	14,980.46
Other financial Liabilities	444.87	444.87	-	-	444.87
Total	**15,425.33**	**4,980.74**	**2,201.38**	**8,243.21**	**15,425.33**

* Trade Payable includes Rs. 9593.19 Lakhs as at March 31, 2024 (Rs. 9602.02 Lakhs as at March 31, 2023) which is payable to the contractor only when the payment is received from customer.

(All amounts Rs.in Lakhs, unless otherwise stated)

33. Related Party Disclosures

(a) Name of the Related Parties and Description of Relationship:

As at March 31, 2024

Nature of Relationship	Name of Entity	Abbreviation used
Control	Government of India	GOI
Significant Influence	RIICO	RIICO
Key Management Personnel	Shri Rakesh Chopra	MD
	Shri Subhash Agrawal	CFO
	Shri Amit Kumar Jain	CS

As at March 31, 2023

	Name of Entity	Abbreviation used
Control	Government of India	GOI
Significant Influence	RIICO	RIICO
Key Management Personnel	Shri Rakesh Chopra	MD
	Shri Subhash Agrawal	CFO
	Shri Amit Kumar Jain	CS

33 (b) Transactions/ balances with above mentioned related parties (mentioned in note 33(a) above)

As at Mar 31, 2024

Particulars	GOI	RIICO	MD	CFO	CS	Total
Trade Receivable	1,284.85	793.89	-	-	-	**2,078.74**
Security Deposit	-	0.40	-	-	-	**0.40**
Advances Received	-	42.39	-	-	-	**42.39**
Transactions						
Sale of Services under Drone Project	-	1,116.62	-	-	-	**1,116.62**
Remuneration	-	-	46.67	39.99	15.35	**102.01**

As at Mar 31, 2023

Particulars	GOI	RIICO	MD	CFO	CS	Total
Trade Receivable	1,284.85	635.34	-	-	-	**1,920.19**
Security Deposit	-	0.40	-	-	-	**0.40**
Advances Received	-	178.78	-	-	-	**178.78**
Transactions						
Sale of Services under Drone Project	-	734.23	-	-	-	**734.23**
Remuneration	-	-	42.60	36.74	14.09	**93.43**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

34. Segment Reporting

In Compliance of Ind AS 108 on "Segment Reporting", the required information is as under:

Business Segments: - The Company has adopted following business segments as its reportable segment.

1. Renewable Energy
2. Electronic

Geographical Segment has been considered for secondary Segments Reporting by treating sales revenue in India and foreign countries as separate geographical segments.

(I) Primary - Business Segments :

	Renewable Energy		Electronic		Total	
Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Revenue						
External	10,492.30	4,281.59	8,095.70	7,736.94	18,588.00	12,018.53
Inter-Segment	-	-	-	-	-	-
Segment Revenue	**10,492.30**	**4,281.59**	**8,095.70**	**7,736.94**	**18,588.00**	**12,018.53**
Total Revenue						
Segment results	**1,125.51**	**(905.50)**	**(711.76)**	**(775.98)**	**413.75**	**(1,681.48)**
Interest income (+)					106.45	98.13
Interest expenditure (-)					83.32	86.57
Tax Expense (-)					120.74	(663.86)
Net Profit / (Loss)					**316.14**	**(1,006.06)**

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Segment assets	**16,902.33**	**10,463.47**	**4,953.20**	**9,988.23**	**21,855.53**	**20,451.70**
Unallocated Assets					2,937.09	5,907.50
Total assets					**24,792.62**	**26,359.20**
Segment liabilities	**11,366.27**	**12,589.36**	**4,165.11**	**6,375.72**	**15,531.38**	**18,965.08**
Unallocated Liabilities					9,261.24	7,394.12
Total liabilities					**24,792.62**	**26,359.20**

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Capital Expenditure for the year	-	-	16.72	8.90	**16.72**	8.90
Depreciation for the year	142.06	144.54	48.98	48.10	**191.04**	192.64

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

(II) Secondary - Geographical Segments :

Particulars	India		Outside India	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Revenue	12,033.12	11,713.58	6,554.88	304.95
Carrying Amount of Segment Assets	21,855.53	20,451.70	-	-
Capital Expenditure/Additions to Fixed Assets	16.72	8.90	-	-

35. Other notes annexed to and forming parts of the accounts for the year ended March 31, 2024

A. CIF value of imports

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw material & Components	357.26	450.73
Total	**357.26**	**450.73**

B. Expenditure in foreign currency

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Royalty	28.78	57.89
Travelling Expenses	1.60	-
Total	**30.38**	**57.89**

C. Earning in foreign exchange on FOB value

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Export Sales	6,554.88	304.95
Total	**6,554.88**	**304.95**

D.(i) Corporate Social Responsibility (2023-24)

- Gross amount required to be spent by the Company during the year - Rs. Nil
- Amount spent during the year ;

Nature of Work	In cash	Yet to be paid in cash	Total
Construction / Acquisition of any asset	-	-	-
On purpose other than above	-	-	-

D.(ii) Corporate Social Responsibility (2022-23)

- Gross amount required to be spent by the Company during the year - Rs. Nil
- Amount spent during the year ;

Nature of Work	In cash	Yet to be paid in cash	Total
Construction / Acquisition of any asset	-	-	-
On purpose other than above	-	-	-

E. Expenditure on Research and Development

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue	336.09	417.36
Capital	-	-
Total	**336.09**	**417.36**

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

F. Disclosures under Section 22 of the MICRO, SMALL & MEDIUM Enterprises

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
i) The Principal amount remaining unpaid to supplier as at the end of accounting year.*	2,214.10	2,979.81
ii) The interest due thereon remaining unpaid to supplier as at the end of accounting year.	-	-
iii) The amount of interest paid in terms of section 16, alongwith the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
v) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-
Total	**2,214.10**	**2,979.81**

* Mainly comprising of outstanding which is not payable due to contractual terms and conditions.

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

G. Provision(s)/Adjustment(s) has not been made in the accounts for :

(a) Additional liabilities, if any, in respect of pending Indirect taxes and Income-tax assessment, being unascertained and liabilities which may arise in future due to mismatching of input tax credit.

(b) Claims pending for settlement in court of law, being unascertained.

H. Expenditure on Technical Literature, Software, Electronic Media Stores, Maintenance, Printing & Stationery and Consumable stores are charged to profit & loss account treating them as consumed in the year of purchases.

I. Sales does not include sales of spares for which service job reports from field has been received after closing of the financial year.

J. Previous years comparative figures have been regrouped wherever necessary.

36. Additional Regulatory Information in terms of MCA notification dated 24/03/2021:

36.1 Title deeds of immovable property not held in name of company-Under Property, Plant and Equipment

There is no such case where the company does not hold immovable property in its own name, hence no disclosure required.

36.2 Disclosure regarding fair value of Investment Property

The company does not hold any investment property in its books, hence no disclosure required.

36.3 Disclosure in case of Revaluation of property, plant and equipment

During the year the company has not revalued any of its property, plant and equipment, hence no disclosure is required.

36.4 Disclosure in relation to Revaluation of Intangible Assets.

During the year the company has not revalued any of its intangible assets, hence no disclosure is required.

36.5 Disclosure in relation to Loans and advances to promoters, directors, key managerial persons (KMP) & related parties.

The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

36.6 Disclosure in relation to Capital Work in Progress.

There is no capital work in progress as on balance sheet date.

36.7 Disclosure in relation to Intangible asset under development.

The company does not have any intangible assets under development.

(All amounts Rs.in Lakhs, unless otherwise stated)

36.8 Disclosure in relation to Benami property held

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

36.9 Disclosure in relation to borrowings from banks on the basis of security of current assets:

Company is availing fund / non-fund based limits from Punjab National Bank, secured by way of Hypothecation of Raw Material, Stock in process, finished goods and book debts. Differences are there between submitted figures to the bank and actual in monthly/quarterly reports due to time lag in adjustments and Balance Sheet adjustments carried out at year end.

36.10 Disclosure regarding Wilful Defaulter

The company has not been categorized as a wilful defaulter by any bank or financial institution during the year.

36.11 Relationship with Struck off Companies-General disclosure

The company has no transaction with companies struck off under section 248 of the Act, or under section 560 of the companies Act, 1956.

36.12 Disclosure regarding delay in registration of charges or satisfaction with ROC

There is no charge or satisfaction yet to be registered with ROC beyond statutory period.

36.13 Disclosure regarding Compliance with no. of layers of companies

This clause is not applicable to the company.

36.14 Disclosure of Ratios :-

S.No.	Particulars	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	Variance
(a)	Current Ratio	Current Assets	Current Liabilities	1.12	1.07	4.67%
(b)	Debt-Equity Ratio	Long Term Debt	Shareholder's Fund + Long Term Debt	-	-	-
(c)	Debt Service Coverage Ratio	EBDITA	INT+PRINCIPAL Interest means only term loan interest not WC Interest	-	-	-
(d)	Return on Equity Ratio	Net Earnings after Tax	Shareholder's Equity	4.82%	-16.01%	130.09%
(e)	Inventory Turnover Ratio	Cost of Sales	Average Stock	5.16	3.03	70.30%
(f)	Trade Receivables Turnover Ratio	Credit Sales	Accounts Receivable	1.22	0.72	69.44%
(g)	Trade Payables Turnover Ratio	Credit Purchases	Accounts Payable	0.70	0.42	66.67%
(h)	Net Capital Turnover Ratio	Revenue from Operations	Working Capital	8.59	8.43	1.90%
(i)	Net Profit Ratio	Net Profit after Tax	Revenue from Operation	1.70%	-8.37%	120.32%
(j)	Return on Capital employed	Earnings before Interest, Tax & Prior Period Item	Capital Employed	7.93%	-25.19%	131.47%
(k)	Return on Investment	Net Profit after Interest, Taxes & Preference Dividends	Equity Share Capital plus Reserves	4.82%	-16.01%	130.09%

36.15 Disclosure regarding compliance with approved scheme of arrangements

There is no scheme of arrangement approved in terms of section 230 to 237 of Companies Act, 2013.

36.16. Disclosure regarding Utilisation of borrowed funds and share premium.

The company has neither advanced any fund to intermediaries nor has received any fund with the understanding that intermediary or company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company/funding agency or provide any guarantee thereof.

See accompanying notes to the Financial Statements (1-36)

As per our separate report of even date

For and on behalf of the Board of Directors

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(CA Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 06.09.2024
UDIN : 24071893BKEREZ2773

Sd/-
(Anju Goyal)
Director
DIN : 10558241

Sd/-
(Dr. P. N. Sharma)
Managing Director
DIN : 10729529

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer